

AREA CODE 303  
PHONE 220-7772

FAX  
220-7773

# National Fuel Corporation

7979 EAST TUFTS AVENUE PARKWAY, SUITE 815  
DENVER, COLORADO 80237-2843



002

June 11, 2005

To: Utah Division of Oil Gas & Mining  
P.O. Box 145801  
Salt Lake City 84114-5801

Re: **REQUEST FOR EXCEPTION TO RULE R643-2**  
National Fuel Corp. APD – NFC Horse Point State #11-6  
Sec. 6-T16S-R24E (Horse Point Area)  
Grand County, Utah

Dear Ms. Whitney:

This letter is sent to request an exception to Rule R649-3-2 for the subject well. National Fuel Corporation chose this location based on seismic data and believes that this location offers the best opportunity for a successful well. Centering this well in the 40 acre quarter-quarter section will cause disturbance to the natural drainage on the west side of the location. (see attached map) In addition there are no other lease owners within a 460' radius of the planned wellbore.

We believe the proposed location complies with other well location requirements and we respectfully request that our proposed exception to R649-3-2 be granted. Please feel free to call me at (970) 260-8128 if you have additional concerns.

Yours truly,

Andrew Busch  
Vice President  
NATIONAL FUEL CORPORATION  
Email – abusch@national-fuel.com

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐  
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>				6. MINERAL LEASE NO: <b>ML-49825</b>	8. SURFACE: State
1A. TYPE OF WORK: <b>DRILL</b> <input checked="" type="checkbox"/> <b>REENTER</b> <input type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
8. TYPE OF WELL:    OIL <input type="checkbox"/> <b>GAS</b> <input checked="" type="checkbox"/> OTHER _____    SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: <b>National Fuel Corporation</b>				9. WELL NAME and NUMBER: <b>NFC Horse Point State #11-6</b>	
3. ADDRESS OF OPERATOR: <b>7979 E. Tufts Ave. #815</b> CITY <b>Denver</b> STATE <b>Co</b> ZIP <b>80237</b>				10. FIELD AND POOL, OR WILDCAT: <b>Horse Point</b> <i>Wildcat</i>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>634' FNL, 895' FWL</b> <i>644898X    39.450264</i> AT PROPOSED PRODUCING ZONE: <b>Same</b> <i>4367889Y    -109.316017</i>				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNW 6    16S    24E</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>59 miles southeast of Ouray, Utah</b>				12. COUNTY: <b>Grand</b>	
				13. STATE: <b>UTAH</b>	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>634' to nearest lease line</b>		16. NUMBER OF ACRES IN LEASE: <b>897.05</b>		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: <b>320</b>	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) <b>none</b>		19. PROPOSED DEPTH: <b>8,534</b>		20. BOND DESCRIPTION: <b>Statewide Drlg. Bond #04127314</b>	
21. ELEVATIONS (SHOW WHETHER OF, RT, GR, ETC.): <b>ungraded 7987.7', graded 7981.4'</b>		22. APPROXIMATE DATE WORK WILL START: <b>7/20/2005</b>		23. ESTIMATED DURATION: <b>20 Days</b>	

24. PROPOSED CASING AND CEMENTING PROGRAM						
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT	
<b>17 1/2"</b>	<b>13 3/8</b>	<b>H-40</b>	<b>48#</b>	<b>150</b>	<b>Class G</b>	<b>181 sx   1.15 cu. ft/sk   15.8 ppg</b>
<b>12 1/4"</b>	<b>9 5/8</b>	<b>J-55</b>	<b>36#</b>	<b>1,300</b>	<b>Class G</b>	<b>505 sx   1.61 cu. ft/sk   14.2 ppg</b>
<b>8 3/4"</b>	<b>4 1/2</b>	<b>N-80</b>	<b>11.6#</b>	<b>8,534</b>	<b>50/50 poz</b>	<b>1763 sx   1.26 cu. ft/sk   14.2 ppg</b>

<b>25. ATTACHMENTS</b>	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER  <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN  <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) <u><b>Andrew Busch</b></u>	TITLE <u><b>V.P. of Operations</b></u>
SIGNATURE <u><i>Andrew Busch</i></u>	DATE <u><b>6/11/2005</b></u>

(This space for State use only)

API NUMBER ASSIGNED: **43-019-31453**

APPROVAL:

**RECEIVED**  
**JUN 14 2005**  
DIV. OF OIL, GAS & MINING

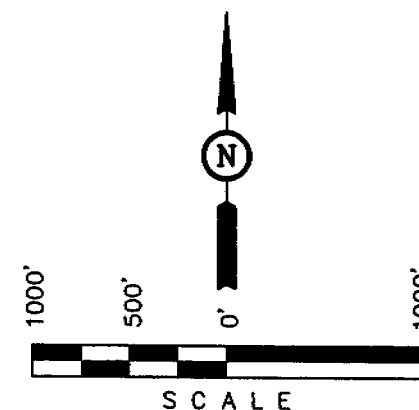
**T16S, R24E, S.L.B.&M.**

**NATIONAL FUEL CORPORATION**

Well location, NFC HORSE POINT STATE #11-6, located as shown in the NW 1/4 NW 1/4 of Section 6, T16S, R24E, S.L.B.&M. Grand County, Utah.

**BASIS OF ELEVATION**

TRIANGULATION STATION "HORN" LOCATED IN THE NE 1/4 SE 1/4 THE NW 1/4 OF SECTION 26, T15S, R23E, S.L.B.&M. TAKEN FROM THE PR SPRING QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 8200 FEET.



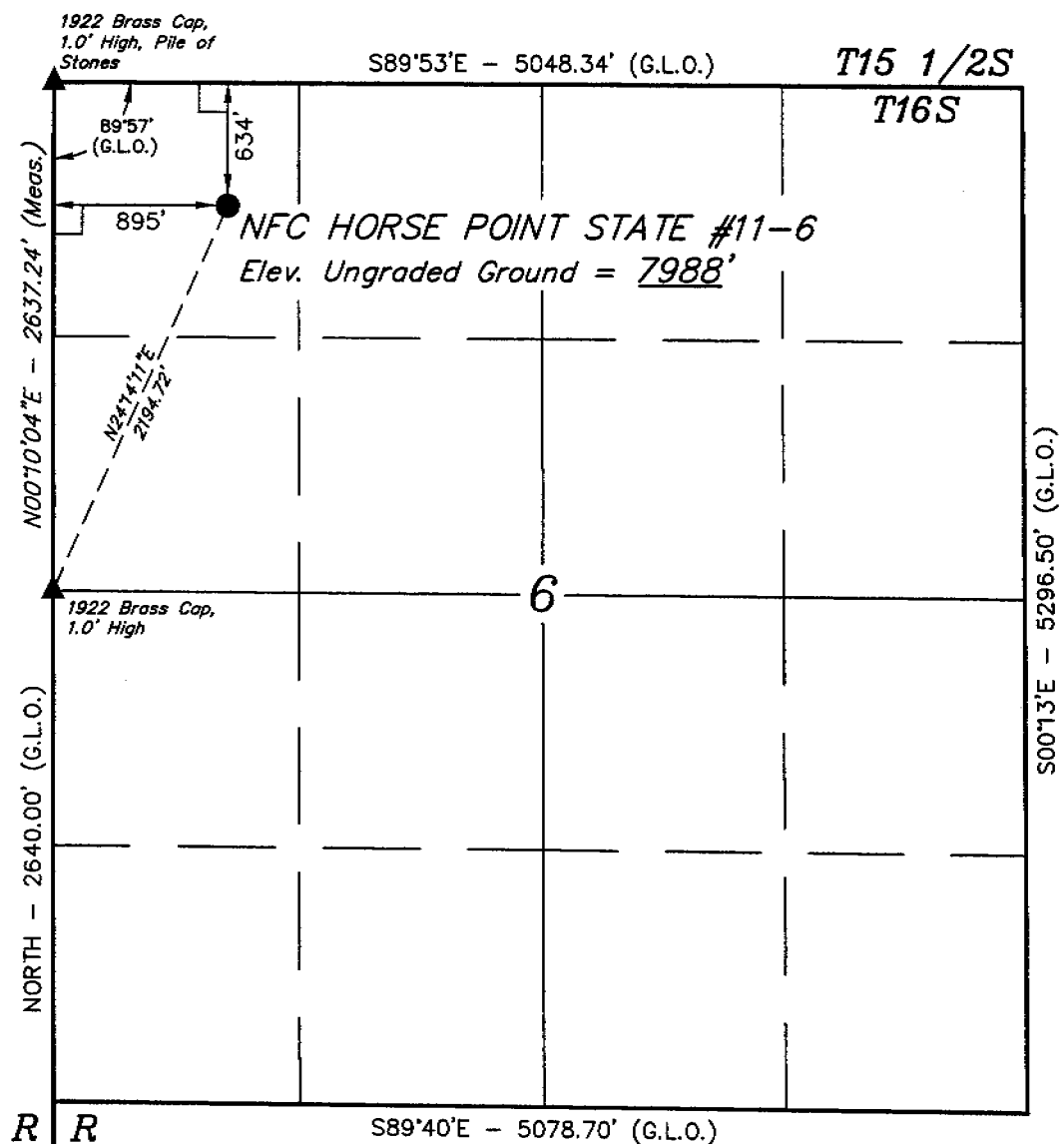
**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*[Signature]*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 15137  
STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
**85 SOUTH 200 EAST - VERNAL, UTAH 84078**  
**(435) 789-1017**

SCALE 1" = 1000'	DATE SURVEYED: 5-12-05	DATE DRAWN: 5-31-05
PARTY B.B. J.M. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE NATIONAL FUEL CORPORATION	



**BASIS OF BEARINGS**

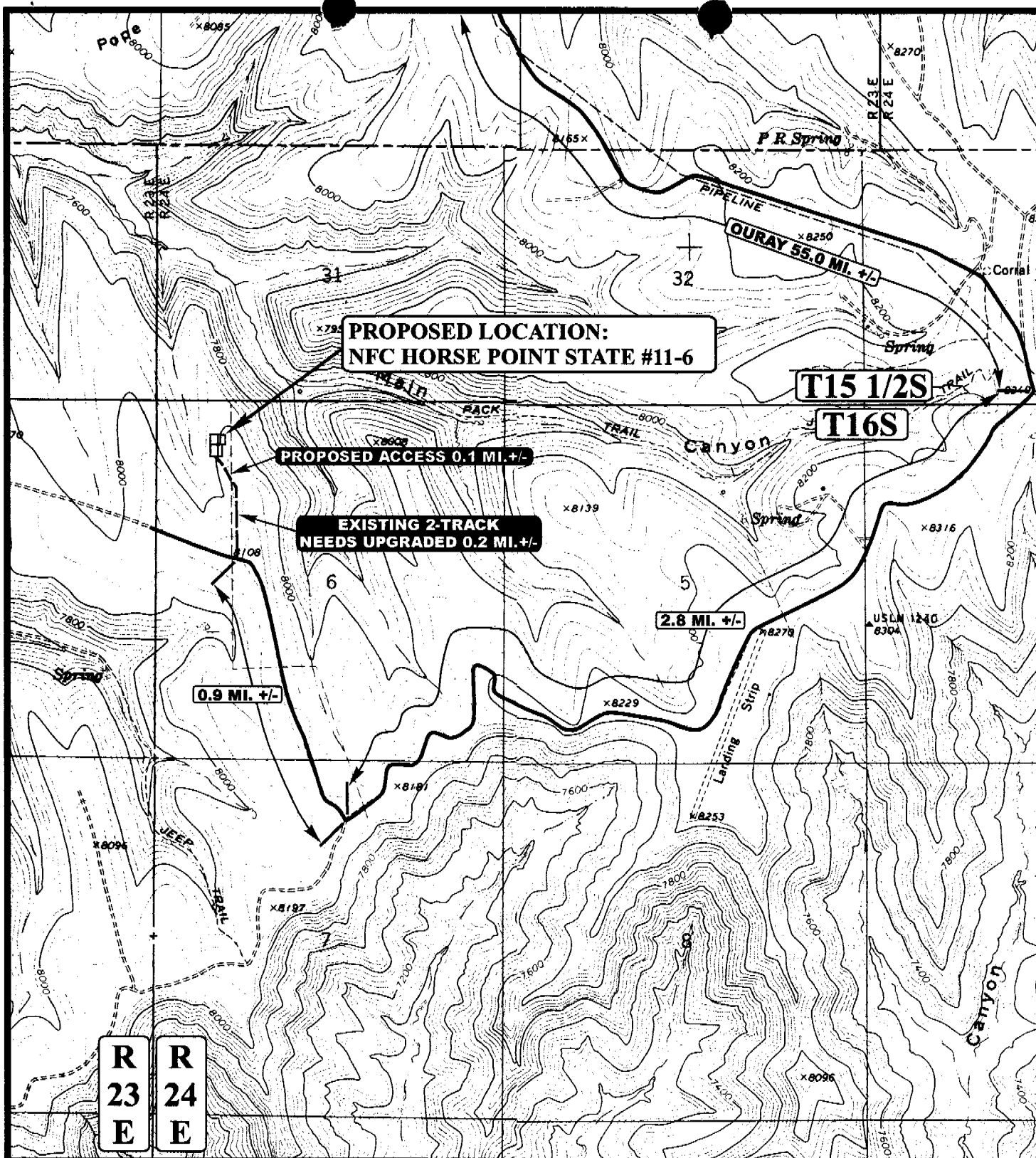
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)  
LATITUDE = 39°27'01.13" (39.450314)  
LONGITUDE = 109°19'00.17" (109.316714)  
(AUTONOMOUS NAD 27)  
LATITUDE = 39°27'01.24" (39.450344)  
LONGITUDE = 109°18'57.74" (109.316039)

**LEGEND:**

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

**R24E**  
**R23E**



# LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED

# NATIONAL FUEL CORPORATION

NFC HORSE POINT STATE #11-6  
SECTION 6, T16S, R24E, S.L.B.&M.  
634' FNL 895' FWL



Utah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



TOPOGRAPHIC MAP  
05 31 05  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00



Project Number: 5333

Sponsor: Division of Oil, Gas and Mining

SLB&M: Sec. 6, T16S, R24E

Counties Affected: Grand

Description: Application for Permit to Drill - proposal to drill a wildcat well, the NFC Horse Point State #11-6 on State lease ML-49825

**Comments:**

While the extraction of hydrocarbons will provide energy for a limited time, the soil, water quality, and hydrology, can be negatively impacted for much longer.

Before permitting well drilling to proceed, conditions should be included within the permit to protect environmental quality, sustain valuable natural resources, and to reduce future costs on the treasury of Utah and its citizens. These conditions should include -

- A) Net erosion from the total comprehensive project shall not exceed 'tolerable' or T rate of erosion rates as determined by USDA / NRCS for agricultural soils. Although the land is not in agricultural use, maintaining these standards will preserve and protect natural resource values of the soil and in the waters downslope of the project area.
- B) Erosion from any one site or disturbance will not exceed the tolerable erosion rate by greater than 2.0 times the tolerable rate. for more than 90 days. Beyond 90 days, erosion shall not exceed the T rate.
- C) All sites disturbed by the project, including roads, drilling pads, storage and other areas shall be restored to appropriate species, variety, and density of vegetative cover when use of the site for hydrocarbon extraction is no longer pursued.
- D) No discharge or runoff of hydrocarbons shall be permitted or allowed which might either enter waters of the state or damage lands or wildlife of the state..
- E) Project pipeline placements and all other ground disturbing activities shall be designed, engineered, and implemented to minimize crossing of and/or disturbance to streams, washes, gullies, arroyos, or other depressions where resulting erosion potential or habitat value might be high.
- F) Where any pipeline is installed, the pipeline corridor shall be maintained to prevent erosion exceeding USDA tolerable rates with appropriate vegetative cover and other means as needed, particularly on slopes or swales.
- G) Appropriate maintenance of pumping, extraction, pipeline, and all other facilities shall be ongoing for duration of lease to sustain ecological function including habitat, soil stability, vegetative cover, and prevention of damage to the environment including release or deposition of materials that are toxic or otherwise detrimental.
- H) Upon ultimate termination of the lease in the future, well site, pipeline and all other disturbances shall be appropriately removed and sites restored as closely as possible to equal or exceed vegetative cover, soil stability and soil permeability as existed prior to project implementation. A bond shall be provided to insure such restoration.

# SOUTHEASTERN UTAH ASSOCIATION OF LOCAL GOVERNMENTS

JERRY MCNEELEY  
CHAIRMAN

William D. Howell  
EXECUTIVE DIRECTOR



375 SOUTH CARBON AVE.  
P.O. DRAWER 1106  
PRICE, UTAH 84501  
(435) 637-5444  
FAX (435) 637-5448

## AREA WIDE CLEARINGHOUSE REVIEW

Federal Action \_\_\_\_\_ State Action   x   Approved ( ☒ ) Yes ( ☐ ) No

Other (indicate) \_\_\_\_\_

### Applicant Address:

Oil, Gas and Mining

1594 West North Temple, #1210

SLC, UT 84114-5801

Name/Phone #

Diana Whitney 801-538-5312

Title/Project Description Application for Permit to Drill - National Fuel Corporation - NFC

proposes to drill a wildcat well at Sec. 6 T16S, R24E, Grand County. Located approximately one mile  
south and west of P.R. Spring.

- [ ☐ ] No Comment  
[ ☐ ] See comment below

Comments: Favorable comment recommended.

Louanne Berryhell  
SEUALG

6/16/2005  
DATE

001

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐  
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>				5. MINERAL LEASE NO: ML-49825	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: National Fuel Corporation				9. WELL NAME and NUMBER: NFC Horse Point State #11-6	
3. ADDRESS OF OPERATOR: 7979 E. Tufts Ave. #815 CITY Denver STATE Co ZIP 80237				10. FIELD AND POOL, OR WILDCAT: Horse Point Wildcat	
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14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 59 miles southeast of Ouray, Utah				12. COUNTY: Grand	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 634' to nearest lease line		16. NUMBER OF ACRES IN LEASE 897.05		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 320	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) none		19. PROPOSED DEPTH: 8,534		20. BOND DESCRIPTION: Statewide Drlg. Bond #04127314	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): ungraded 7987.7', graded 7981.4'		22. APPROXIMATE DATE WORK WILL START: 7/20/2005		23. ESTIMATED DURATION: 20 Days	

## 24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
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8 3/4"	4 1/2 N-80 11.6#	8,534	50/50 poz 1763 sx 1.26 cu. ft/sk 14.2 ppg

## 25. ATTACHMENTS

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- |  |  |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER     | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN                                   |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Andrew Busch

TITLE V.P. of Operations

SIGNATURE

*Andrew Busch*

DATE 6/11/2005

(This space for State use only)

API NUMBER ASSIGNED: 43-019-31453

APPROVAL:

Approved by the  
Utah Division of  
Oil, Gas and Mining

(11/2001)

Date: 08-25-05

By: *[Signature]*

RECEIVED  
JUN 14 2005  
DIV. OF OIL, GAS & MINING

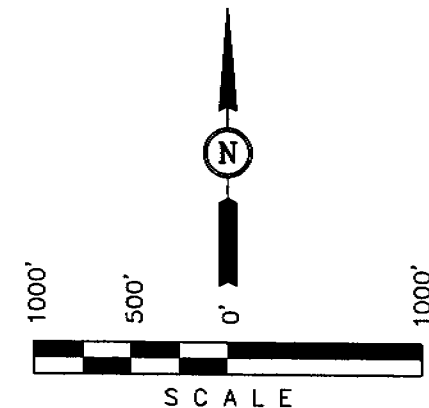
T16S, R24E, S.L.B.&M.

NATIONAL FUEL CORPORATION

Well location, NFC HORSE POINT STATE #11-6, located as shown in the NW 1/4 NW 1/4 of Section 6, T16S, R24E, S.L.B.&M. Grand County, Utah.

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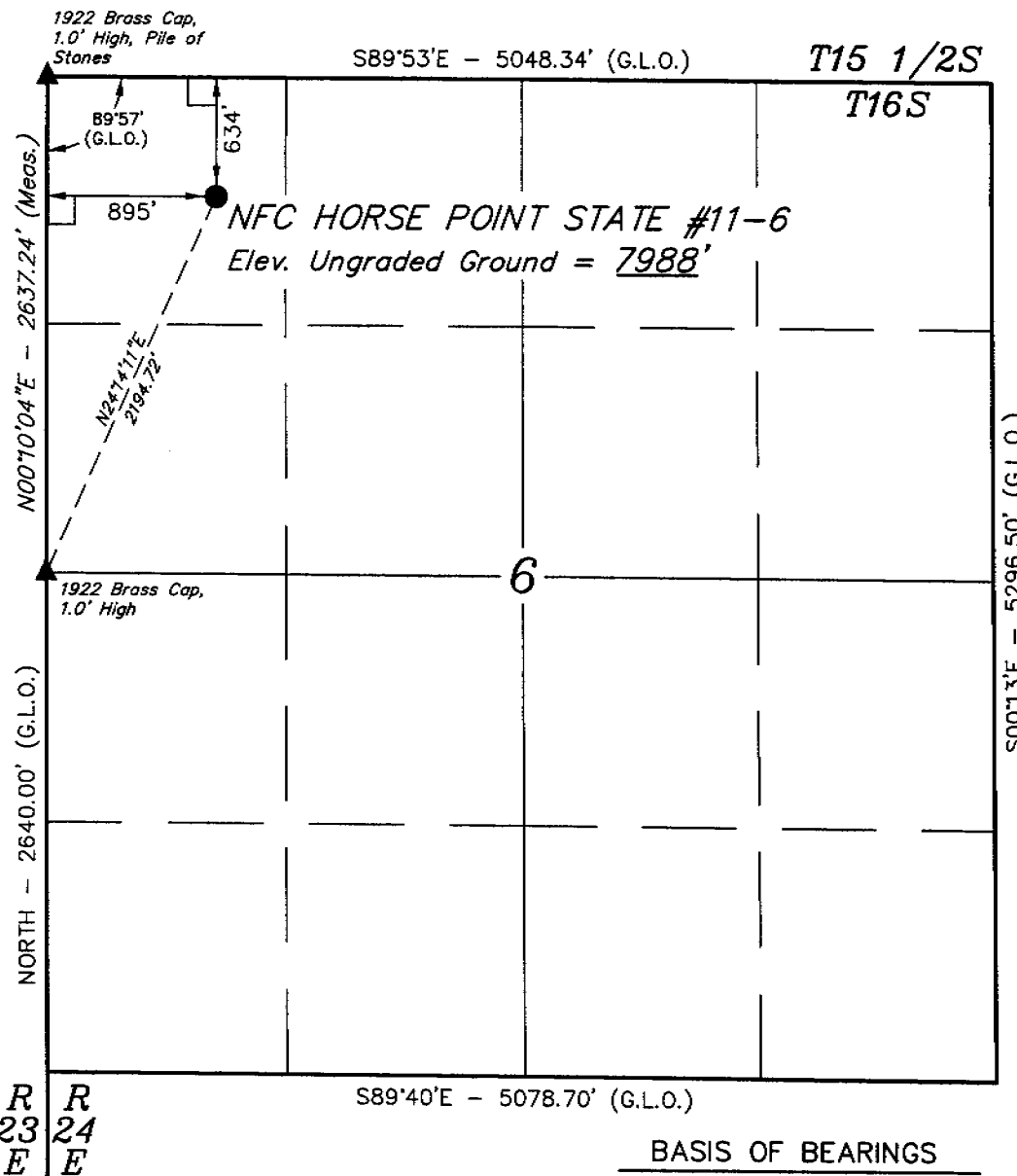
### CERTIFICATE

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*[Signature]*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 5-12-05	DATE DRAWN: 5-31-05
PARTY B.B. J.M. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE NATIONAL FUEL CORPORATION	



### BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)  
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LONGITUDE = 109°19'00.17" (109.316714)  
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### LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.



6/11/05

State of Utah, Division of Oil, Gas, and Mining  
Application for Permit to Drill

Company: National Fuel Corporation Well No. Horse Point State #11-6

Location: Sec. 6, T. 16S, R. 24E, Lease No. ML-49825

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations, the approved plan of operations and the conditions of approval. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

**A. DRILLING PROGRAM**

<u>Surface Formation and Estimated Formation Tops:</u>	
Mesaverde	2123'
Sego	4259'
Castlegate	4408'
Mancos	4426'
Mancos "B"	5172'
Dakota Silt	8100'
Dakota	8186'
Cedar Mtn.	8284'
Morrison	8334'
TD	8534'

1. Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to be Encountered

Depth/Formation

Expected Oil Zones: None

Expected Gas Zones: Dakota Silt, Dakota, Cedar Mtn, Morrison

Expected Water Zones: None

Expected Mineral Zones: None

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to Utah. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment – See attached schematic

3. Casing Program and Auxiliary Equipment – include casing size, weight, grade, thread and coupling, setting depth and condition (new or acceptably reconditioned):

Conductor csg.-	New	17 1/2" 48# , H-40, ST&C,	150' to Surface
Surface csg.-	New	9 5/8" 36# , J-55, ST&C,	1300' to Surface
Production csg.-	New	4 1/2" , 11.6# , N-80, ST&C	8534' to Surface

4. Cement – include the cement type, density, yield, additives and amount used in setting each casing string. Also include the anticipated cement fill-up.:

13 3/8" csg. -	181sx Regular Class G cement, 1.15 cu ft/sk, 15.8 ppg,	150' to surface
9 5/8" csg. -	505 sx Regular Class G cement, 1.61 cu ft/sk, 14.2 ppg,	1300' to surface
4 1/2" csg. -	1763 sx in 2 stages, 50/50 poz w/0.25 PPS flocele, 1.26 cu ft/sk, 14.2 ppg	
1 <sup>st</sup> stage	8534' to 5000', 2 <sup>nd</sup> stage	5000' to 1300'

Conductor and surface casing will be cemented back to surface. Centralizers shall be run, at a minimum, on the bottom three joints of each casing string and across any potential gas producing zones. Stage tool depth at 5000'.

5. Mud Program and Circulating Medium – Production hole will be drilled with a DAP mud system. Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected. Monitoring equipment will be installed on mud tanks to record tank levels, circulating rates and returns. Mud logging will begin at 3500'.
6. Coring, Logging and Testing Program: No DST or core anticipated. Logging program: GR-CNL-FDC & SP-GR-DIL open hole logs will be run from 1300' to 8534'. All good gas and/or oil shows will be tested when perforated through production csg.  
Initial opening of drill stem test tools will be restricted to daylight hours.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards – include anticipated bottomhole pressure and/or pressure gradient. Also list anticipated lost circulation zones, abnormal temperature zones and possible hydrogen sulfide bearing zones: No abnormal conditions, pressures, temperatures or hazards are anticipated and are not common in this area. No H2S anticipated and does not exist in other wells in the area. Based on information from other wells in the area, max BHP not expected to exceed 2500#.

8. Any Other Aspects of this Proposal that should be Addressed: \_\_\_\_\_  
Anticipated time frames for: Construction and Drilling - 20 to 25 days  
Completion and Testing - 10 to 15 days

## B. SURFACE USE PLAN

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction. Surface disturbance and vehicular travel will be limited to the approved location and access road.

1. Existing Roads:

- a. See attached maps and plats from ULES.
- b. Location of proposed well in relation to town or other reference point: See attached maps and plats from ULES.
- c. Contact the County Road Department for use of county roads.
- d. Plans for improvement and/or maintenance of existing roads: 0.2 miles of existing 2 track road will need to be improved to accommodate rig traffic.
- e. Other: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Planned Access Roads:

- a. Location (centerline): See map attached to survey plat.
- b. Length of new access road to be constructed: 0.10 miles
- c. Length of existing roads to be upgraded: 0.20 miles
- d. Maximum total disturbed width: 50 ft
- e. Maximum travel surface width: 18 ft
- f. Maximum grades: Not to exceed 13%.
- g. Turnouts: As needed.
- h. Surface materials: No off-site materials anticipated.
- i. Drainage (crowning, ditching, culverts, etc.): No drainage crossings will be needed for access route. Access road will be crowned and drainage ditches cut as necessary to provide adequate drainage.
- j. Cattleguards: None
- k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a State right-of-way is required: None

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by the Area Manager in advance.

3. Location of Production Facilities:

- a. On-site facilities: Wellhead, meter facilities, separator, dehydrator, production tank and fenced emergency water disposal pit. Details of needed facilities will be submitted if well is completed for production.
- 

- b. Off-site facilities: None
- 

- c. Pipelines: If gas production is established, a new gathering line will be laid along existing road to existing Canyon Gas Seep Ridge line. See attached pipeline map.
- 

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months on installation.

All site security guidelines identified in 43 CFR § 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed.

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR § 3162.7-3 and Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined produced water pit.

4. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): Water for drilling and completion operations will be purchased from rancher Bert Delambert and taken from a pond on his property located in Main Canyon in the center of the E ½, E ½ Section 31-T15S-R23E, Uintah Co., Utah. Water Right #49-123, App. #T-14298, Cert. #1504. See attached map showing water source location.

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Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

5. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): Native materials. All on site.

The reserve pit shall be located in cut material with at least 50% of the pit volume being below original ground level. Pit will be lined to prevent leaching of drilling fluids. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary, but no later than at the completion of drilling operations.

Sewage will be contained in approved containers and disposed of at an approved disposal site.

6. Ancillary Facilities: None required. Anticipate up to 4 living trailers for rig personnel during drilling and completion.

7. Well Site Layout -- depict the pit, rig, cut and fill, topsoil, etc., on a plat with a scale of at least 1" = 50'. See ULES plat.

The blooie line will be located at least 100 feet from the well head.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed: Blooie line will be directed into the base of the dirt embankment surrounding the blooie pit.

8. Plans for Restoration of the Surface:

The top 5 inches of topsoil material will be removed from the location and stockpiled separately on: The east side of location. See survey plat.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

All road surfacing will be removed prior to the rehabilitation of roads.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeded, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between Sept 1st and Dec 31st, or at a time specified by the State of Utah. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used: As specified by State.

The abandonment marker will be one of the following, as specified by the State:

- 1) at restored ground level, or
- 2) below ground level.

In any case, the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

9. Surface and Mineral Ownership: State surface and mineral ownership.

10. Other Information:

a. Archeological Concerns: A cultural and archeological survey has been performed on the new well site and access road to location. Results are included with this APD.

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five (5) working days, the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- a time frame for the AO to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

- b. Threatened and Endangered Species Concerns: None  
\_\_\_\_\_  
\_\_\_\_\_
- c. Wildlife Seasonal Restrictions (yes/no): As specified by State of Utah.  
\_\_\_\_\_  
\_\_\_\_\_
- d. Off Location Geophysical Testing: None  
\_\_\_\_\_  
\_\_\_\_\_
- e. Drainage crossings that require additional State or Federal approval: None  
\_\_\_\_\_  
\_\_\_\_\_

11. Lessee's or Operator's Representative and Certification

Representative:

Name: Andrew W. Busch, Fruita Office (970)858-7490, Cell (970) 260-8128

Title: V.P. of Operations

Address: 7979 East Tufts Avenue Parkway #815  
Denver, Co. 80237

Phone Number: Denver office (303)220-7772

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by National Fuel Corporation and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under Utah Statewide Blanket Drilling Bond no. 04127314.

Andrew Busch  
Signature

Vice President of Operations  
Title

June 11, 2005  
Date



The Operator's Minimum Specifications for Pressure Control

EXHIBIT are schematic diagrams of the blowout preventer equipment. A 5000# blowout preventer will be installed, used, maintained and tested in accordance with all requirements specified in Section III.A-1 of Onshore Order 2, except where variations are presented in this application.

Minimum standards outlined in Onshore Order 2 will be met for BOP, choke, manifold, accumulator, and locking devices. Hydraulic controls will be located on the rig floor. Manual controls will be handwheels. Remote control for the accumulator will be 100'-200' from the drill hole. The kill line will not be used as a fill-up line.

Ram type preventers and associated equipment (choke manifold, kelly cocks, etc.) shall be pressure tested to 100% of their rated working pressure for a period of 10 minutes. Annular preventers shall be tested to 50% of their rated working pressure for a period of 10 minutes. Tests will be run after initial installation, prior to drilling out of each casing shoe and after use under pressure, or a minimum of once every 30 days. Pipe rams will be operationally checked each 24 hour period, as will blind rams and annular preventer each time pipe is pulled out of the hole. Annular preventers will be functionally operated at least weekly. Such checks of BOPE will be noted on daily drilling reports.

## UTAH STATE COVER PAGE

Must Accompany All Project Reports  
Submitted to Utah SHPO

**Project Name:** Class III cultural resources inventory for the proposed State Duncan #14-28, Horse Point State #11-6, and the Westwater State #22-32 well locations, and related new and to-be-upgraded access routes in Uintah and Grand Counties, Utah, for National Fuel Corporation

**State Proj. No.** U05-GB-0469s

**Report Date:** 30 May 2005

**County(ies):** Uintah and Grand

**Principal Investigator:** Carl E. Conner

**Field Supervisor(s):** Carl E. Conner

**Records search completed at:** UDSH

**Record search date(s):** 05/24/2005

**Acreage Surveyed ~ Intensive:** 37 acres

**Recon/Intuitive:** 0 acres

**7.5' Series USGS Map Reference(s):** Dry Canyon and PR Spring 1970

Sites Reported	Count	Smithsonian Site Numbers
Archaeological Sites	0	
Revisits (no inventory form update)		
Revisits (updated IMACS site inventory form attached)	0	
New recordings (IMACS site inventory form attached)	0	
Total Count of Archaeological Sites	0	
Historic Structures (USHS 106 site info form attached)	0	
Total National Register Eligible Sites	0	

### Checklist of Required Items

- ☒ Copy of the Final Report
- ☒ Copy of 7.5' Series USGS Map with Surveyed/Excavated Area Clearly Identified.
- Completed IMACS Site Inventory Forms, Including
  - Parts A and B or C, ☐ The IMACS Encoding Form,
  - Site Sketch Map, ☐ Photographs
  - Copy of the appropriate 7.5' Series USGS Map w/ the Site Location Clearly Marked and Labeled with the Smithsonian Site Number
- ☒ Completed "Cover Sheet" Accompanying Final Report and Survey Materials (Please make certain all of your checked items are attached.)

**Class III Cultural Resource Inventory Report  
on the  
Proposed State Duncan #14-28, Horse Point State #11-6, and the  
Westwater State #22-32 Well Locations,  
and Related New and To-Be-Upgraded Access Routes on  
State Lands in Uintah and Grand Counties, Utah  
for  
National Fuel Corporation**

**Declaration of Negative Findings**

GRI Project No. 2527

30 May 2005

Prepared by

Grand River Institute  
P.O. Box 3543  
Grand Junction, Colorado 81502  
UDSH Project Authorization No. U05-GB-0469s



Carl E. Conner, Principal Investigator

Submitted to

Preservation Office  
Utah Division of State History  
300 Rio Grande  
Salt Lake City, Utah 84101

School and Institutional  
Trust Lands Administration  
675 East 500 South, Suite 500  
Salt Lake City, Utah 84102-2818

### **Abstract**

Grand River Institute conducted a Class III cultural resources inventory for the proposed State Duncan #14-28, Horse Point State #11-6, and the Westwater State #22-32 well locations, and related new and to-be-upgraded access routes in Uintah and Grand Counties, Utah, for National Fuel Corporation under Utah Division of State History (UDSH) Project Authorization No. U05-GB-0469s. This work was done to meet requirements of State law that protect cultural resources. A files search conducted through the Preservation Office UDSH on 24 May 2005 indicated no sites were previously recorded in the study area. Field work was performed on 26 May 2005. A total of about 37 acres of Utah State Lands was inspected. No cultural or paleontological resources were encountered and clearance is recommended.

## **Table of Contents**

<b>Introduction</b> .....	1
<b>Location of Project Area</b> .....	1
<b>Environment</b> .....	1
<b>Files Search</b> .....	5
<b>Study Objectives</b> .....	6
<b>Field Methods</b> .....	7
<b>Study Findings and Management Recommendations</b> .....	7
<b>References</b> .....	7

## **Tables and Figures**

<b>Figure 1. Project location map (map 1 of 3)</b> .....	2
<b>Figure 2. Project location map (map 2 of 3)</b> .....	3
<b>Figure 3. Project location map (map 3 of 3)</b> .....	4
<b>Table 1. List of previous cultural resource surveys</b> .....	5

## **Introduction**

At the request of National Fuel Corporation, a Class III cultural resources inventory for the proposed State Duncan #14-28, Horse Point State #11-6, and the Westwater State #22-32 well locations, and related new and to-be-upgraded access routes in Uintah and Grand Counties, Utah, for National Fuel Corporation under Utah Division of State History (UDSH) Project Authorization No. U05-GB-0469s. A files search conducted through the Preservation Office UDSH on 24 May 2005 indicated no sites were previously recorded in the study area. Field work was performed on 26 May 2005. A total of about 37 acres of Utah State Lands was inspected. Carl E. Conner was Principal Investigator and Field Supervisor. He was assisted by Nicole Darnell and Jim Conner.

The survey was done to meet requirements of State law concerned with the identification, evaluation, and protection of fragile, non-renewable evidences of human activity, occupation and endeavor reflected in districts, sites, structures, artifacts, objects, ruins, works of art, architecture, and natural features that were of importance in human events. Such resources tend to be localized and highly sensitive to disturbance.

## **Location of Project Area**

The study area lies in the Roan Plateau in Uintah and Grand Counties, Utah. The study areas are located in T. 15 S., R. 23 E., Section 28; T. 16 S., R. 24 E., Sections 6 and 32; SLBM (Figure1).

## **Environment**

The project area is within the major geologic subdivision of the Colorado Plateau known as the Uinta Basin Section. In Utah, this section extends from the Uinta Mountains on the north to the Book Cliffs on the south. It is a broad downwarp into which Quaternary- and Tertiary-age deposits were made from the surrounding mountains which include Holocene and Pleistocene pediment deposits, and Eocene-age fluvial and lacustrine sedimentary rocks (Rigby 1976:xi). Physiographically, the basin includes the Uinta basin in the northern portion and the Book Cliffs/Roan Plateau in the south portion. The study area occurs in the latter and the Wasatch Formation forms the bedrock. Rocky, sandy loams formed in residuum cover the bedrock on the ridgetop.

Elevation in the project area averages 7280 to 8100 feet. The terrain is characterized as narrow ridgetops and slopes covered in Transitional Zone oakbrush, sagebrush, serviceberry and grasses, and in areas pinyon/juniper forest. Regional faunal inhabitants include deer, antelope, elk, black bear, coyote, mountain lion, cottontails, jack rabbits, and various raptors.

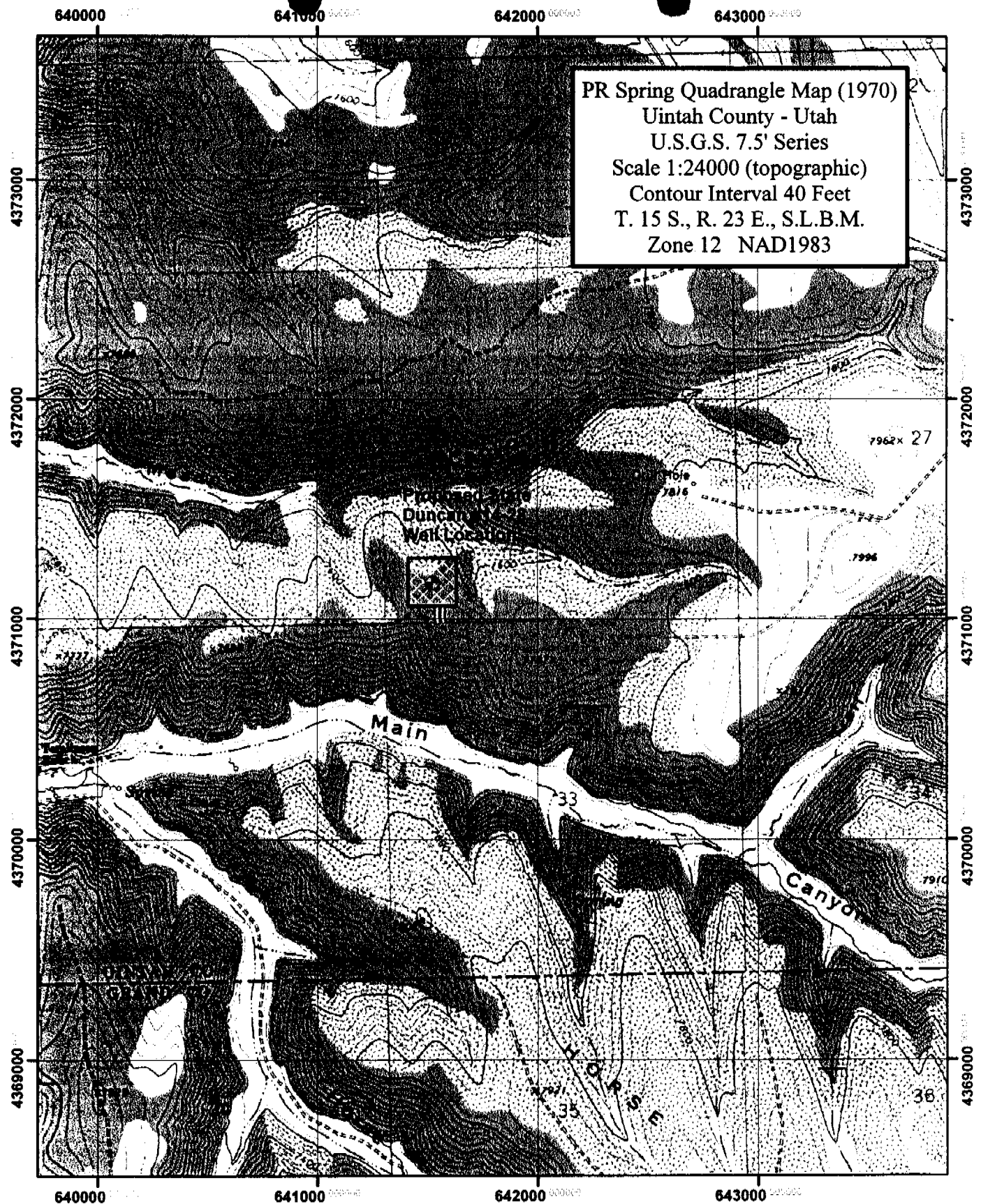


Figure 1. Project location map (1 of 3) for the Class III cultural resources inventory report for three proposed State well locations and related short accesses in Grand and Uintah Counties, Utah for National Fuels Corporation. Area surveyed is highlighted. [GRI Project No. 2527, 5/30/05]

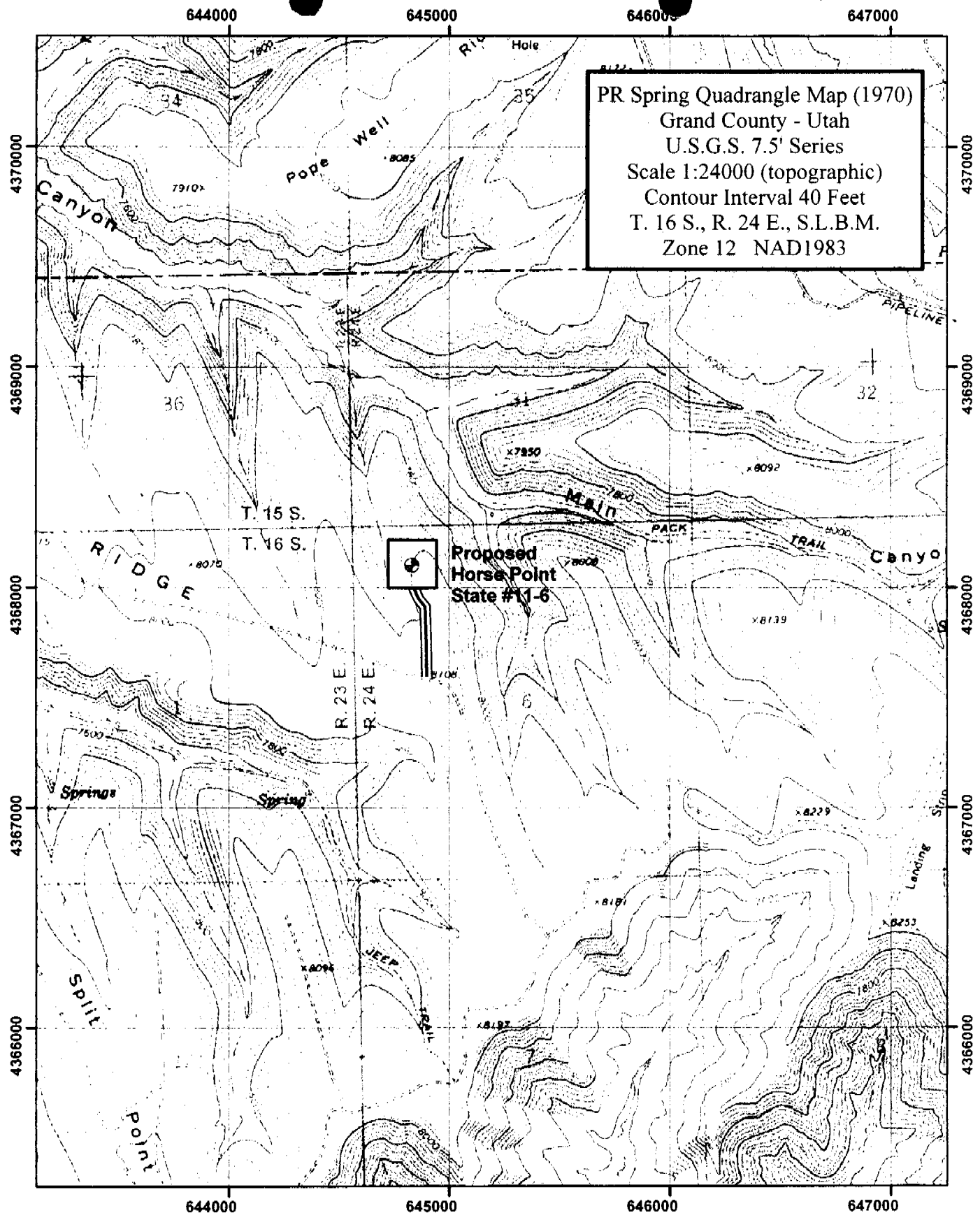
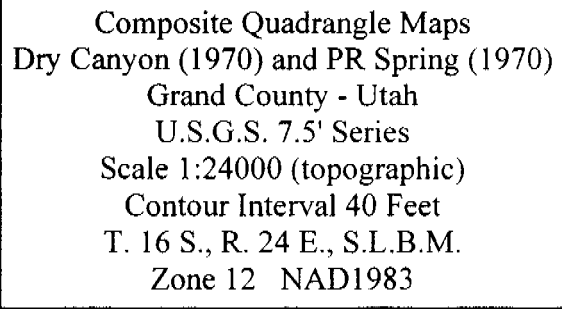


Figure 2. Project location map (2 of 3) for the Class III cultural resources inventory report for three proposed State well locations and related short accesses in Grand and Uintah Counties, Utah for National Fuels Corporation. Area surveyed is highlighted. [GRI Project No. 2527, 5/30/05]





4

A cool, mid-latitude steppe climate prevails. Annual precipitation of this elevation range is between 14 and 18 inches. Temperatures can reach 95°F in mid-summer and -20°F in January. Paleoenvironmental data are scant, but it is generally agreed that gross climatic conditions have remained fairly constant over the last 12,000 years. However, changes in effective moisture, and cooling-warming trends probably affected the prehistoric occupation of the region.

## Files Search

Regional archaeological studies suggest nearly continuous human occupation of northeastern Utah for the past 12,000 years. Evidence of the Paleoindian Tradition, the Archaic Tradition, Fremont Culture, and Protohistoric/Historic Utes has been found. Historic records suggest occupation or use by EuroAmerican trappers, settlers, miners, and ranchers as well. Overviews of the prehistory and history of the region are provided in the Utah BLM Cultural Resource Series No. 5, Sample Inventories of Oil and Gas Fields in Eastern Utah (Nickens and Larralde 1980) and in Cultural Resources Existing Data Inventory Vernal District, Utah (Jones and Mackay 1980).

A files search conducted through the Preservation Office UDSH on 24 May 2005 indicated no sites were previously recorded in the study areas. Twelve energy related projects have been conducted within a mile of the present study areas (Table 1). The only significant cultural resource recorded within a mile of the discrete project areas is a prehistoric rock art site (42UN3145 recorded as part of project U-02-NU-0340b,s) in the bottom Main Canyon, which is well outside of the present project area.

**Table 1. List of previous cultural resource surveys within one mile of the study area.**

Report Number	Project
U04-GB-0472s,p	Class III cultural resources inventory for the proposed Horse Point State #43-32 well location, a short new pipeline route, and new and to-be-upgraded access routes in Uintah and Grand Counties, Utah (Conner 6/9/04)
U-03-AY-0911s	EOG Resources Inc.; Trail Canyon #2-34: A Cultural Resource Inventory for a well pad, and its access and pipeline, Grand County, Utah (Truesdale, 12/1/2003)
U-03-MQ-0753b	CRI of Trigon-Sheehan's Winter Ridge/Wolf Point Six Mile Pipeline in Grand County, Utah (Nicholson and Montgomery 2003)

U-02-NU-0340b,s	Class III Cultural Resource Inventory on the Western Geco Horse Point 3D Seismic Grid, Uintah and Grand Counties, Utah (Frizell et al., 9/18/2002)
U-01-MQ-0289b,p,s	Cultural Resource Inventory of Well Locations Fence Canyon Delambert #30-2, Fence Canyon #31-2 and Fence Canyon #32-2, Uintah County, Utah (Montgomery, 6/02/2001)
U-01-MQ-0531s	Cultural Resource Inventories of Well Locations Fence Canyon #21-2, #29-2, #32-2 and #33-4, Grand and Uintah Counties, Utah (Montgomery, 8/17/2001)
U-01-MQ-0721b,s	Cultural Resource Inventory of Louis Dreyfus Natural Gas Corporation's Fence Canyon #32-2 Pipeline, Uintah County, Utah (Montgomery, 10/29/2001)
U-85-MM-0431s	PR Springs Tar Sands Exploration Project (24 drill holes) for Mobile Alternative Energy, Inc. in Grand and Uintah Counties, Utah (Metcalf, 6/25/1985)
81-NH-0642b	Three Drill Pads on Seep Ridge for Texas Oil and Gas Corp., in Uintah County, Utah (Nickens, 7/23/1981)
83-NJ-0231	An Archaeological Survey of Three Seismic Lines in the Book Cliffs Section of Utah (Lee 8/8/1983)
81-GA-0419	Archaeological Survey of Northwest Pipeline Corporation's Lateral A-45, R/W #'s 79458, 81775, 81797 in Grand County, Utah (Babcock and Kimsey 1981)
81-GC-0313	Coseka Well #2-31-16-24 and Access (Kranzush 1981)

### Study Objectives

The purpose of the study was to identify and record all cultural resources within the area of potential impact and to assess their significance and eligibility to the National Register of Historic Places (NRHP). Paleontological resources were also considered in the inspection. However, a final evaluation of those resources must be provided by a paleontologist permitted by the State of Utah.

## **Field Methods**

Class III, 100% pedestrian, cultural resources surveys of the proposed well locations were made by a two-person crew walking a series of concentric circles around the flagged centers to diameters of 750 feet. The related new and to-be-upgraded access routes (2080 feet) were inspected by walking a series of parallel transects along both sides of the flagged centerline spaced at 10-meter intervals to cover a 150 foot-wide swath. A total of about 37 acres (30 block/7 linear) was intensively surveyed.

Cultural resources were sought as surface exposures and were characterized as sites or isolated finds. Sites were defined by the presence of six or more artifacts and/or significant features indicative of patterned human activity. Isolated finds were defined by the presence of a single artifact or several artifacts, which apparently represent a single event (e.g., a single core reduction, or small historic can cluster), and is surficial in nature. Artifacts were to be pin-flagged to establish site boundaries, sketch maps were to be drawn (using a Garmin GPS V unit), and photographs were to be taken. Cultural resources encountered were to be recorded to standards set by the Preservation Office of the Utah Division of State History. None were found.

## **Study Findings and Management Recommendations**

As expected, no cultural or paleontological resources were encountered during the survey. Accordingly, cultural resource clearance is recommended.

## **References**

Jones, Kevin T. and K.L. Mackay

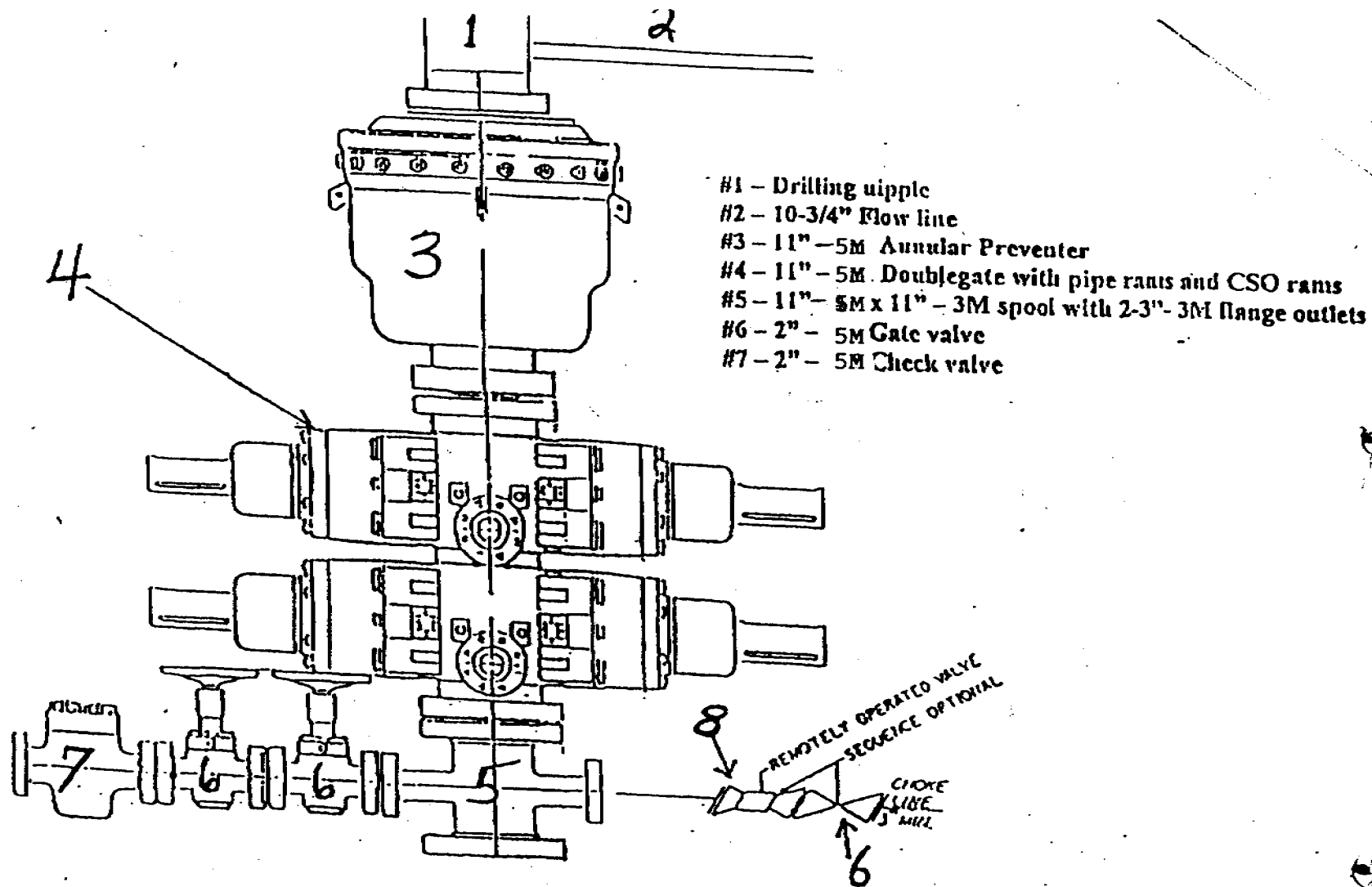
1980 Cultural Resources Existing Data Inventory Vernal District, Utah. Report of Investigations 80-18, University of Utah, Salt Lake City.

Nickens, Paul R. and Signa L. Larralde

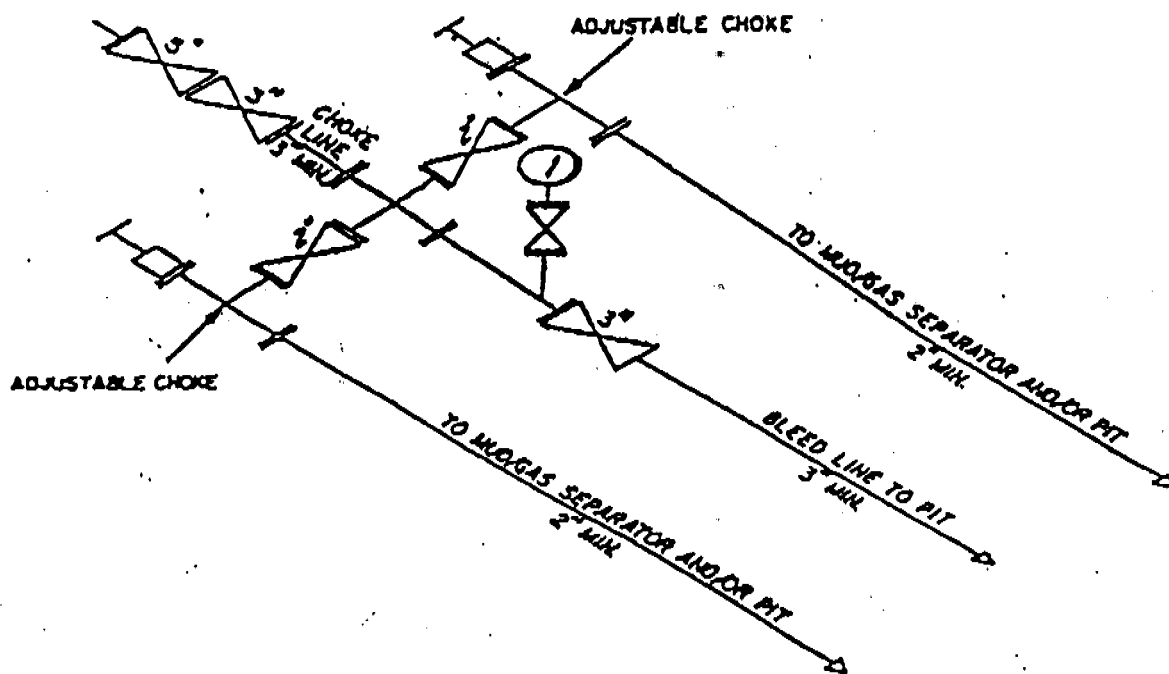
1980 Sample Inventories of Oil and Gas Fields in Eastern Utah. Utah BLM Cultural Resource Series No. 5. Bureau of Land Management, Salt Lake City.

Rigby, J. Keith

1976 Northern Colorado Plateau. Kendall/Hunt Publishing Company. Dubuque.



11" - 5M Doublegate with Annular Preventer



② 5M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION OF CHOSES MAY VARY

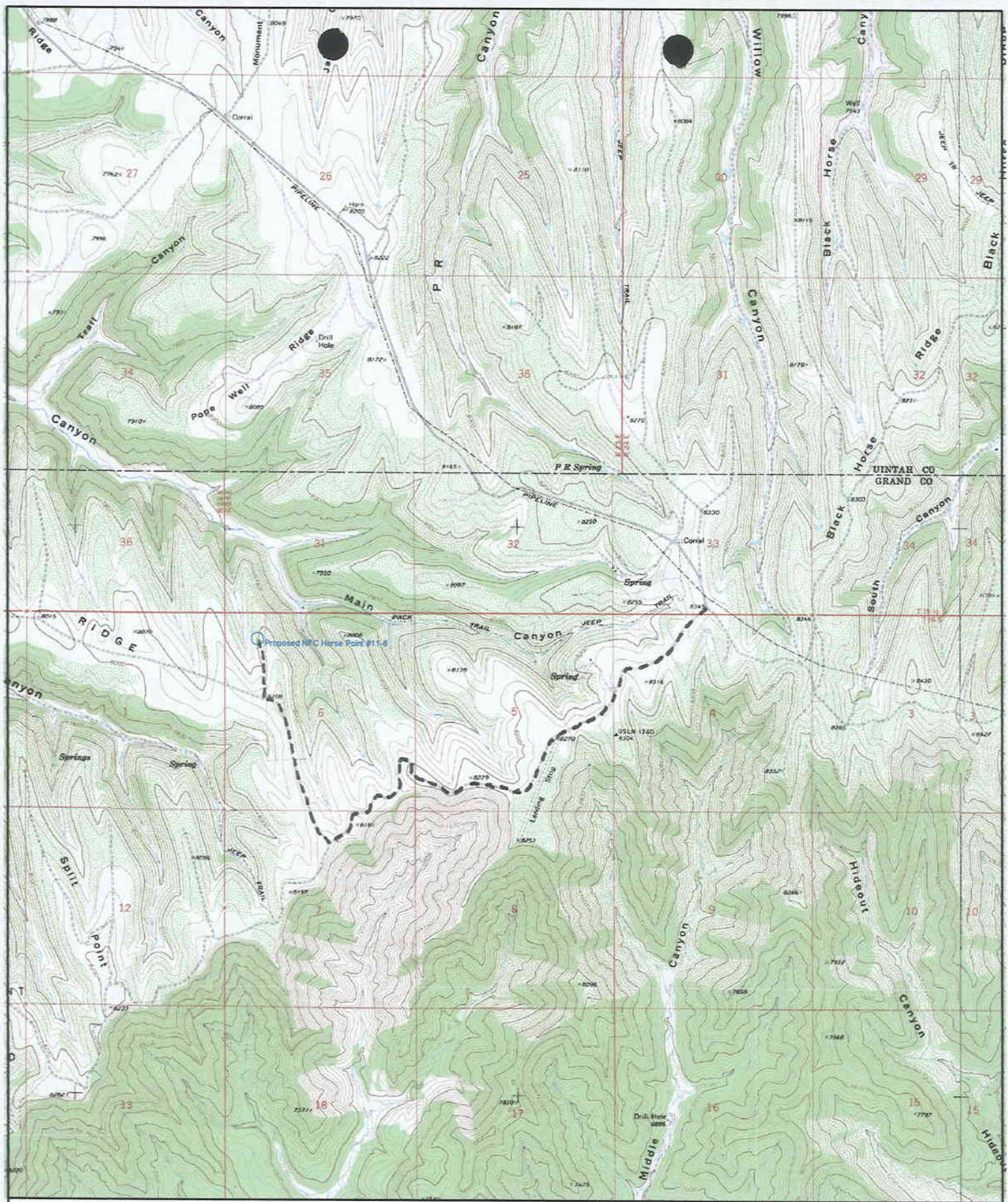




Name: CEDAR CAMP CANYON  
Date: 6/13/2005  
Scale: 1 inch equals 2000 feet

Location: 039° 28' 16.1" N 109° 22' 55.9" W  
Caption: Water Source





Name: P R SPRING  
Date: 6/13/2005  
Scale: 1 inch equals 3333 feet

Location: 039° 27' 08.9" N 109° 17' 34.2" W  
Caption: Pipeline Route



**NATIONAL FUEL CORPORATION**  
**NFC HORSE POINT STATE #11-6**  
LOCATED IN GRAND COUNTY, UTAH  
SECTION 6, T16S, R24E, S.L.B.&M.



PHOTO: VIEW OF LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

**LOCATION PHOTOS**

**05** **31** **05**  
MONTH DAY YEAR

**PHOTO**

TAKEN BY: B.B.

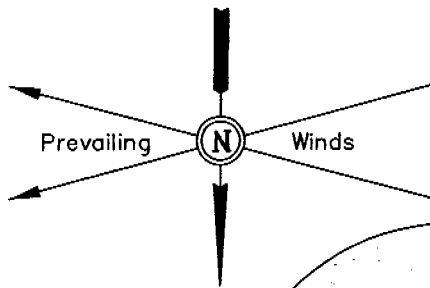
DRAWN BY: L.K.

REVISED: 00-00-00

# NATIONAL FUEL CORPORATION

## LOCATION LAYOUT FOR

NFC HORSE POINT STATE #11-6  
SECTION 6, T16S, R24E, S.L.B.&M.  
634' FNL 895' FWL



SCALE: 1" = 50'  
DATE: 5-31-05  
Drawn By: K.G.

Topsoil Stockpile

Proposed Access Road

F-17.2'  
El. 7964.2'

Sta. 3+25

Approx.  
Top of  
Cut Slope

C-17.2'  
El. 7998.6'

### NOTE:

Flare Pit is to be located  
a min. of 100' from the  
Well Head.

Pit Topsoil

C-8.0'  
El. 7989.4'

Round Corners  
as needed

175'

PIPE RACKS

C-6.3'  
El. 7987.7'

DOG HOUSE

Sta. 1+50

El. 8002.0'  
C-32.6'  
(btm. pit)

FLARE PIT

20' WIDE BENCH

C-15.0'  
El. 7996.4'

29'

36'

RIG

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

Sta. 0+50

TRAILER  
TOILET  
FUEL

F-18.4'  
El. 7963.0'

C-12.9'  
El. 7994.3'

MUD TANKS

TRASH

C-2.8'  
El. 7984.2'

STORAGE TANK

Sta. 0+00

El. 7996.7'  
C-27.3'  
(btm. pit)

20' WIDE BENCH

C-6.4'  
El. 7987.8'

Topsoil Stockpile

F-26.0'  
El. 7955.4'

### NOTES:

Reserve Pit Backfill  
& Spoils Stockpile

Approx.  
Toe of  
Fill Slope

FIGURE #1

Elev. Ungraded Ground At Loc. Stake = 7987.7'

FINISHED GRADE ELEV. AT LOC. STAKE = 7981.4'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

# NATIONAL FUEL CORPORATION

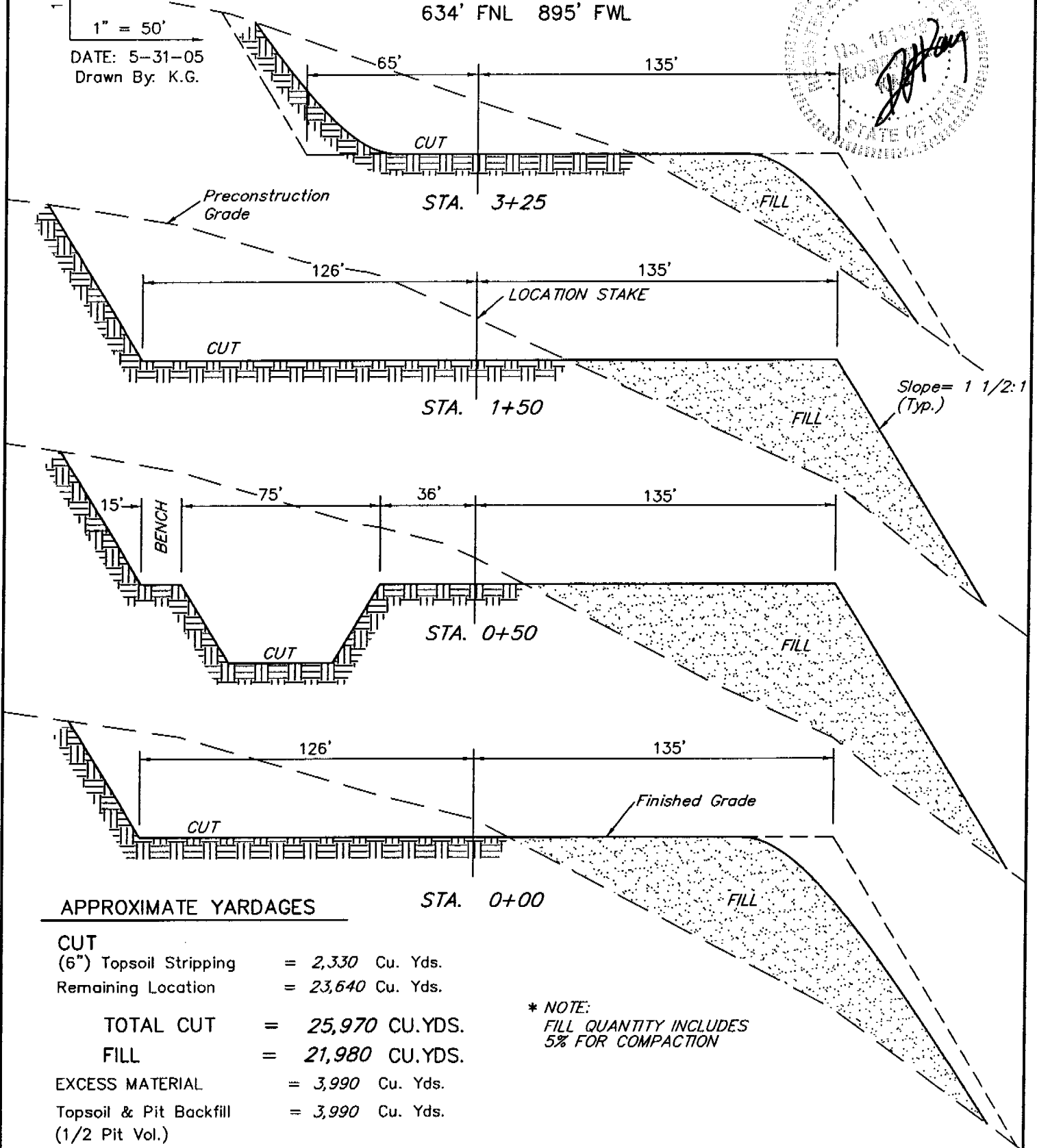
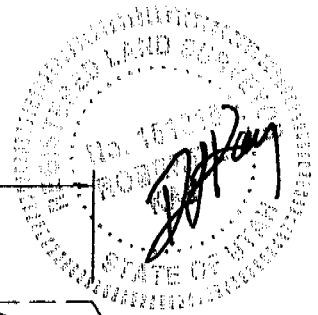
FIGURE #2

## TYPICAL CROSS SECTIONS FOR

NFC HORSE POINT STATE #11-6  
SECTION 6, T16S, R24E, S.L.B.&M.  
634' FNL 895' FWL

1" = 20'  
X-Section  
Scale  
1" = 50'

DATE: 5-31-05  
Drawn By: K.G.

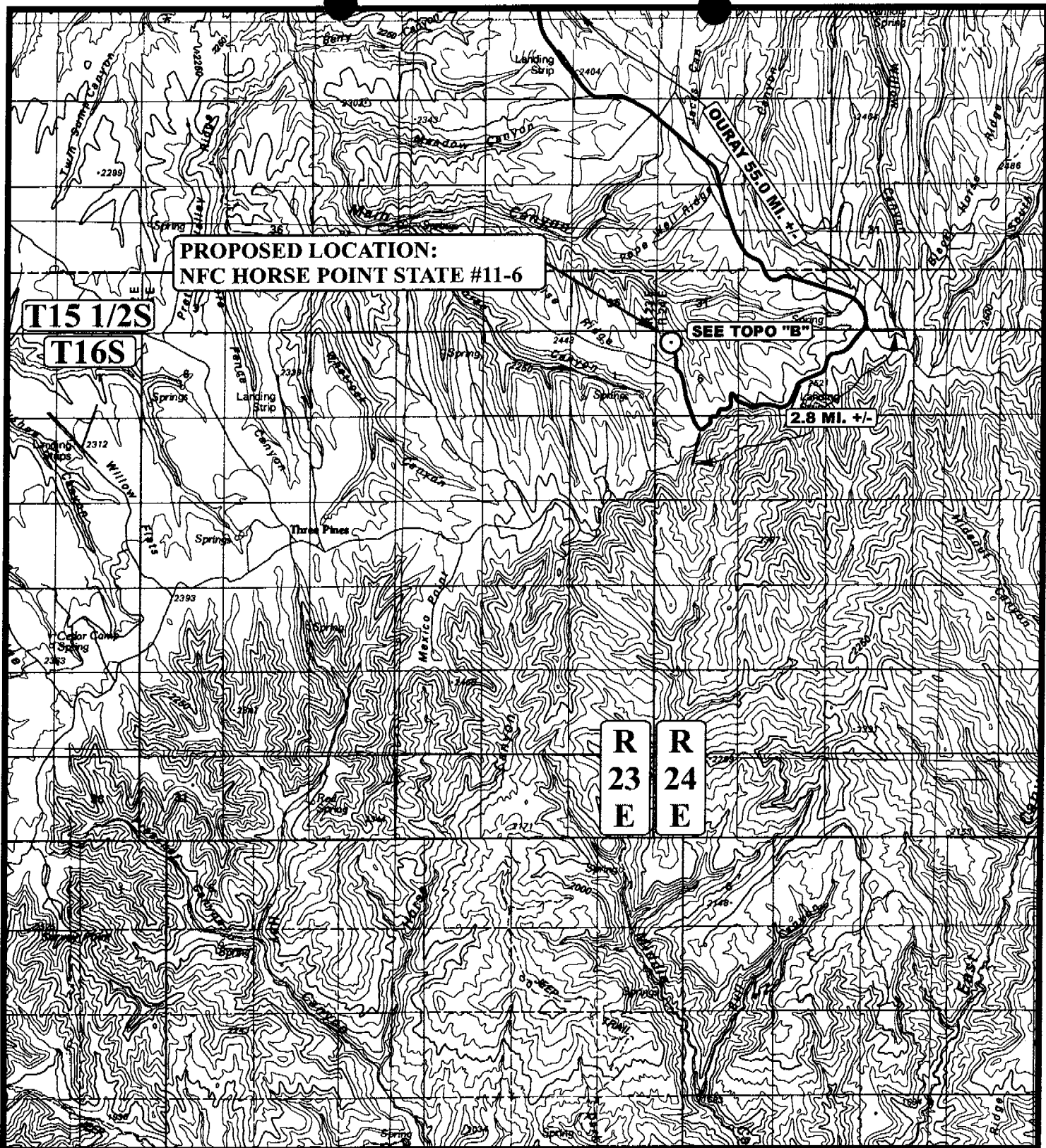


### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 2,330 Cu. Yds.
Remaining Location	= 23,640 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 25,970 CU.YDS.</b>
<b>FILL</b>	<b>= 21,980 CU.YDS.</b>
EXCESS MATERIAL	= 3,990 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,990 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION





# **LEGEND:**

○ PROPOSED LOCATION

N

## **NATIONAL FUEL CORPORATION**

NFC HORSE POINT STATE #11-6  
SECTION 6, T16S, R24E, S.L.B.&M.  
634' FNL 895' FWL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

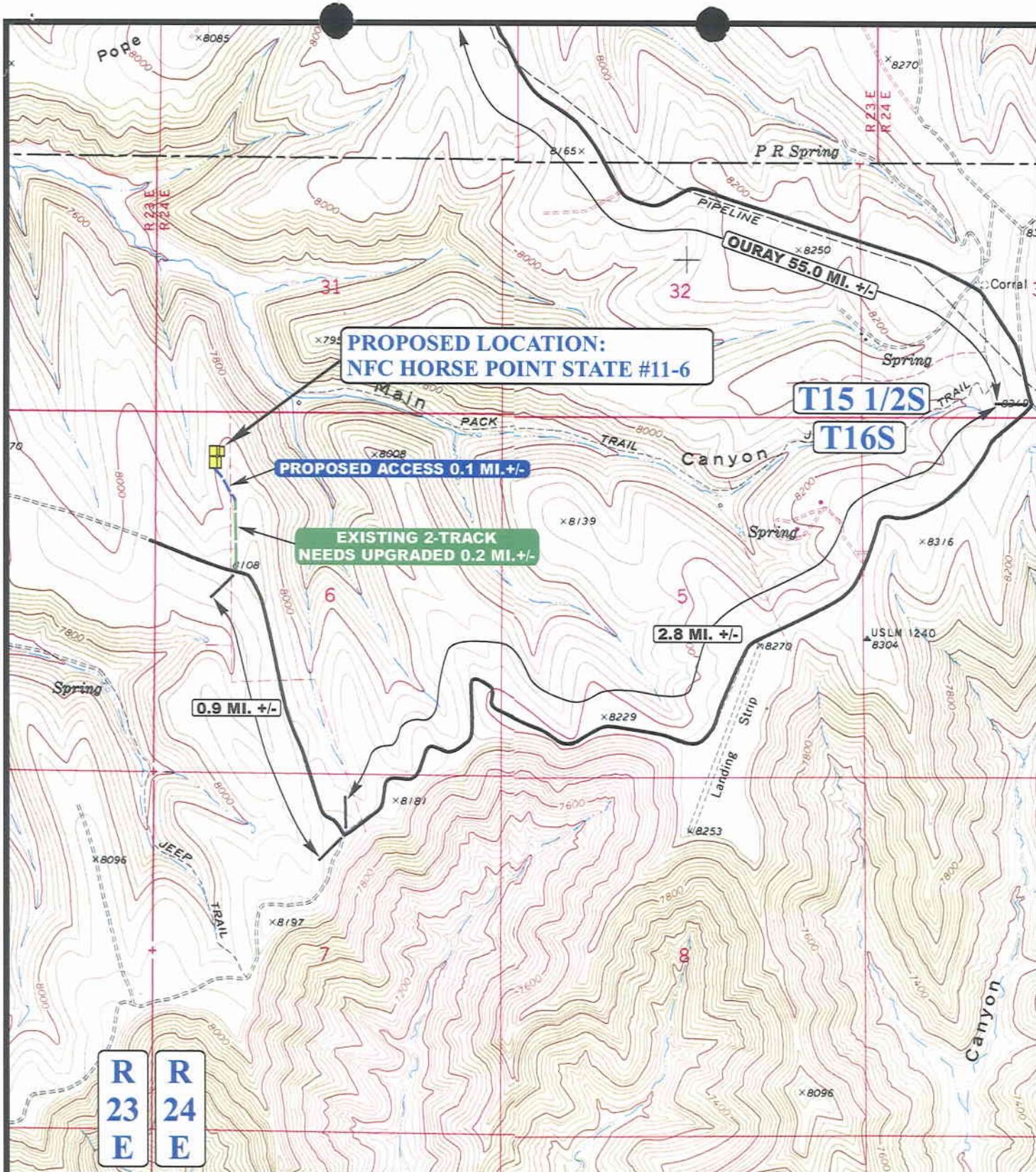
TOPOGRAPHIC  
MAP

05 31 05  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00







# LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED

# NATIONAL FUEL CORPORATION

NFC HORSE POINT STATE #11-6  
SECTION 6, T16S, R24E, S.L.B.&M.  
634' FNL 895' FWL



Utah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



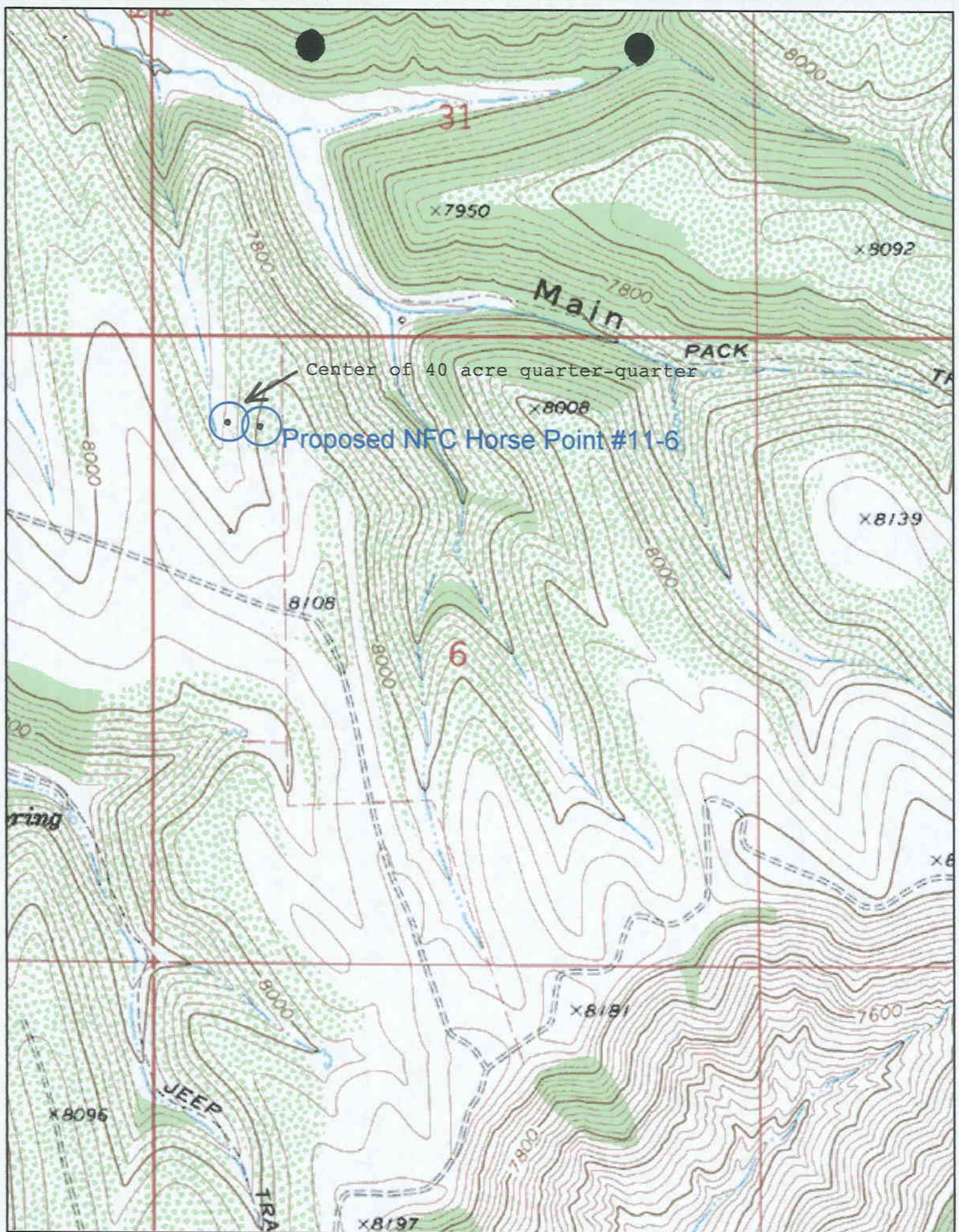
TOPOGRAPHIC  
MAP

05 31 05  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00

B  
TOPO

















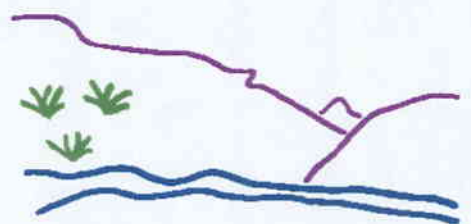
OPERATOR: NATIONAL FUEL CORP (N8060)

SEC: 6 T. 16S R. 24E

FIELD: WILDCAT (001)

COUNTY: GRAND

SPACING: R649-3-3 / EXCEPTION LOCATION



Utah Oil Gas and Mining

#### Wells

- ✱ GAS INJECTION
- ✱ GAS STORAGE
- ✕ LOCATION ABANDONED
- ⊙ NEW LOCATION
- ✧ PLUGGED & ABANDONED
- ✱ PRODUCING GAS
- PRODUCING OIL
- ✱ SHUT-IN GAS
- ✱ SHUT-IN OIL
- ✕ TEMP. ABANDONED
- TEST WELL
- △ WATER INJECTION
- WATER SUPPLY
- ✧ WATER DISPOSAL

#### Units.shp

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

#### Fields.shp

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY  
DATE: 15-JUNE-2005

**From:** Robert Clark  
**To:** "CarolynWRIGHT@Utah.gov".mime.MNET; Whitney, Diana  
**Date:** 6/20/2005 8:47:41 AM  
**Subject:** Re: New RDCC Projects Notice (06/19/2005)

The following comments are submitted for short turn around items **RDCC #5329 Permit to Drill Two Fer 26-30 wildcat well** and **RDCC #5333 Permit to Drill NFC Horse Point State #11-6 wildcat well**.

Comments are applicable to both items.

**Comments begin:** The proposed well drilling project, in Grand County, may require a permit, known as an Approval Order, from the Utah Division of Air Quality if any compressor stations are constructed at the site. A permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, SLC, UT, 84116 for review according to the Utah Air Conservation Rule R307-401. Permit: Notice of Intent and Approval Order. The proposed project is subject to Utah Air Conservation Rule R307-205-3, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Division of Air Quality, but steps need to be taken to minimize fugitive dust, such as, watering and/or chemical stabilization, providing vegetative or synthetic cover and windbreaks. A copy of the rules are found at [www.rules.utah.gov/publicat/code/r307/r307.htm](http://www.rules.utah.gov/publicat/code/r307/r307.htm) . **Comments end.**

Robert Clark  
 Utah Division of Air Quality  
 536-4435

>>> Carolyn Wright <CarolynWRIGHT@Utah.gov> 6/19/2005 10:20 AM >>>

New projects received between June 13, 2005 and June 19, 2005  
 Please mark each project you will be commenting on and reply to this message.  
 New project details can be found on our website

#### Other Proposed Actions

Project Number: 5335

Sponsor: USDA/Forest Service - Dixie Natl Forest

SLB&M:

Counties Affected:

Description: Sunset Cliffs North Fuels Reduction Project

Will Comment Comments Due to GOPB 06/24/2005 Project Number: 5330

Sponsor: Trust Land Administration

SLB&M:

Counties Affected: Tooele

Description: TAD Block

Will Comment Comments Due to GOPB 07/06/2005 Project Number: 5324

Sponsor: Trust Land Administration

SLB&M: Sec. 36, T6S, R20E; Sec. 2, T7S, R20E

Counties Affected: Uinta

Description: Easement 1013

Will Comment Comments Due to GOPB 07/06/2005 Project Number: 5327

Sponsor: Trust Land Administration

SLB&M: Sec. 27, 34, 35, T26S, R22E

Counties Affected: Grand, San Juan

Description: Spanish Valley Residential

Will Comment Comments Due to GOPB 07/06/2005 Project Number: 5337

Sponsor: DOI/BOR

SLB&M:

## Counties Affected:

Description: Colorado River Reservoir Operations: Development of Management Strategies for Lake Powell and Lake Mead Under Low Reservoir Conditions. Federal Register Notice dated 6/15/05, page 34794.

Will Comment Comments Due to GOPB 08/24/2005

Short Turn Around

Project Number: 5333

Sponsor: Division of Oil, Gas and Mining

SLB&M: Sec. 6, T16S, R24E

Counties Affected: Grand

Description: Application for Permit to Drill - proposal to drill a wildcat well, the NFC Horse Point State #11-6 on State lease ML-49825

Will Comment Comments Due to GOPB 06/16/2005 Project Number: 5329

Sponsor: Division of Forestry, Fire and State Lands

SLB&M: Sec. 26, T26S, R20E

Counties Affected: Grand

Description: Application for Permit to Drill - proposal to drill a wildcat well, the Two Fer 26-30 on State lease ML-49436-OBA

Comments Due to Sponsor 06/28/2005 Project Number: 5340

Sponsor: Department of Environmental Quality/Div. of Water Quality

SLB&M:

Counties Affected: Wasatch

Description: Public Notice for Renewal of Ground Water Discharge Permit No. UGW510004

Comments Due to Sponsor 06/30/2005

Stream Alterations

Project Number: 5321

Sponsor: Division of Water Rights

SLB&M: Sec. 23, T3S, R1W

Counties Affected: Salt Lake

Description: Midas Creek (No. 05-59-06SA) - removal culvert

Comments Due to Sponsor 06/29/2005 Project Number: 5322

Sponsor: Division of Water Rights

SLB&M: Sec. 12, T13N, R3E

Counties Affected: Cache

Description: Logan River (No. 05-25-11SA) - reinforce bridge

Comments Due to Sponsor 06/29/2005 Project Number: 5331

Sponsor: Division of Water Rights

SLB&M: Sec. 32, T3S, R1E

Counties Affected: Salt Lake

Description: Corner Canyon Creek (No. 05-57-16SA) - add precast bridge

Comments Due to Sponsor 07/04/2005 Project Number: 5332

Sponsor: Division of Water Rights

SLB&M: Sec. 17, T23S, R1W

Counties Affected: Sevier

Description: Peterson Creek (No. 05-63-02SA) - utility crossing

Comments Due to Sponsor 07/03/2005

Environmental Quality

Project Number: 5328

Sponsor: Department of Environmental Quality

SLB&M:

Counties Affected:

Description: One Public Notice (DAQE-NN2422002-05) - air quality permit

Comments Due to Sponsor 06/13/2005 Project Number: 5323

Sponsor: Department of Environmental Quality

SLB&M:

Counties Affected: Salt Lake

Description: One Public Notice (DAQE-NN31202110-05) - air quality permit  
Comments Due to Sponsor 06/13/2005 Project Number: 5334

Sponsor: Department of Environmental Quality

SLB&M:

Counties Affected: Salt Lake

Description: Onr Public Notice (DAQE-NN3116001-05) - air quality permit

Comments Due to Sponsor 06/16/2005 Project Number: 5339

Sponsor: Department of Environmental Quality

SLB&M:

Counties Affected:

Description: One Public Notice (DAQE-NN0129012-05) - air quality permit

Comments Due to Sponsor 06/16/2005

Information

Project Number: 5326

Sponsor: DOI/BLM

SLB&M:

Counties Affected:

Description: Potential for Oil Shale Development; Call for Nominations--Oil Shale Research, Development and Demonstration (R, D & D) Program. Federal Register Notice dated 6/9/05, page 33753.

Comments Due to Sponsor 06/13/2005 Project Number: 5325

Sponsor: DOI/BLM

SLB&M:

Counties Affected:

Description: Notice of Resource Advisory Committee Meeting. Federal Register Notice dated 6/9/05, page 33753.

Comments Due to Sponsor 06/13/2005 Project Number: 5336

Sponsor: Environmental Protection Agency

SLB&M:

Counties Affected:

Description: Waste Management System; Testing and Monitoring Activities; Final Rule: Methods Innovation Rule and SW-846 Final Update IIIB - Final rule. Federal Register Notice dated 6/14/05, page 34538.

Comments Due to Sponsor 06/16/2005 Project Number: 5338

Sponsor: Environmental Protection Agency

SLB&M:

Counties Affected:

Description: Hazardous waste Management System; Modification of the Hazardous Waste Manifest System; Correction. Federal Register Notice dated 6/16/05, page 35034.

Comments Due to Sponsor 06/16/2005

**CC:** Mcneill, Dave

**From:** "andy busch" <abusch@national-fuel.com>  
**To:** "Chris Kierst" <chriskierst@utah.gov>  
**Date:** 7/15/2005 7:28:48 AM  
**Subject:** Re: Surface hole mud system on the NFC Horse Point State # 11-6well (S.6, T16S, R24E, Grand County, UT)

Hi Chris,

We plan to drill surface with air or air/mist. We will mud up with a DAP mud when we drill out surface shoe. Let me know if you have any more questions or concerns.

Thank you,  
Andy Busch  
office (970)858-7490  
cell (970)260-8128

----- Original Message -----

From: "Chris Kierst" <chriskierst@utah.gov>  
To: <abusch@national-fuel.com>  
Sent: Thursday, July 14, 2005 9:37 AM  
Subject: Surface hole mud system on the NFC Horse Point State # 11-6well (S.6, T16S, R24E, Grand County, UT)

> I am currently drafting a geologic Statement of Basis towards issuing a permit for the cited well. Please be so kind as to inform me what type of mud system you will be utilizing during the drilling of the surface hole portion of the well.

>

**DIVISION OF OIL, GAS AND MINING**  
**APPLICATION FOR PERMIT TO DRILL**  
**STATEMENT OF BASIS**

**OPERATOR:** \_\_\_\_\_ National Fuel Corporation  
**WELL NAME & NUMBER:** \_\_\_\_\_ NFC Horse Point State #11-6  
**API NUMBER:** \_\_\_\_\_ 43-019-31453  
**LOCATION:** 1/4,1/4 NWNW Sec:6 TWP: 16S RNG: 24E 634 FNL 895 FWL

**Geology/Ground Water:**

Several springs are observed to occur at the base of Tongue A of the Douglas Creek Member of the Green River Formation in the area around Horse Ridge. Within a mile, water rights have been filed on 6 of these springs. A few small streams flow in nearby canyons and draws on the north and southwest side of the location. Records of water encountered during the drilling of nearby wells indicates that whatever flows existed were controlled with air/mist drilling significantly into the underlying Tertiary Wasatch Formation. One well drilled nearby and at nearly the same elevation didn't mud up until ~1,200' TD. The sparse, high quality ground water is an important resource for local ranching and wildlife in this elevated and incised terrain. Lost circulation may be encountered in the Mesa Verde Group in this area so the operator will likely prefer to drill with as light a mud system as possible. In an email communication (7/15/05) that I have placed in the file, the Operator's permit officer informed me that they propose to use air or air/mist to drill the surface hole. In this area, the base of moderately saline ground water is mapped to occur at ~4,500' above sea level and should therefore be encountered at ~3,500' TD in the well. The proposed casing and cementing program and benign mud system should serve to adequately protect the ground water resource.

**Reviewer:** Christopher J. Kierst **Date:** July 14, 2005

**Surface:**

On-site conducted July 5, 2005. In attendance: Bart Kettle (DOGM), Andrew Busch (National Fuel Corporation), invited but choosing not to attend Chris Colt (DWR), Ed Bonner (SITLA) and Mary Hofhine (Grand County)


Proposed location lies within DWR classified "critical" mule deer and elk summer range, therefore request made to avoid construction and drilling from May 15 to July 5. The higher precipitation zone increases the risk for snowmelt or rainwaters to flood location. To assure that location does not become flooded diversion ditches will be constructed on the northeastern portion of the location. Due to resource concerns created as a result of previous drilling activities conducted during spring thaw, discussed that drilling be avoided if at all possible during the months of February through April.

**Reviewer:** Bart Kettle **Date:** July 12, 2005

**Conditions of Approval/Application for Permit to Drill:**

1. Construct diversion ditch around higher portions of location to keep spring melt from entering well pad.
2. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

**STATE ACTIONS**  
**Resource Development Coordinating Committee**  
**Governor's Office of Planning and Budget**  
**5110 State Office Building**  
**SLC, UT 84114**  
**Phone No. 537-9230**

<b>1. State Agency</b> Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	<b>2. Approximate date project will start:</b>  Upon Approval or June 29, 2005
<b>3. Title of proposed action:</b> Application for Permit to Drill	
<b>4. Description of Project:</b>  National Fuel Corporation proposes to drill the NFC Horse Point State #11-6 well (wildcat) on State lease ML-49825, Grand County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
<b>5. Location and detailed map of land affected (site location map required, electronic GIS map preferred)</b> (include UTM coordinates where possible) (indicate county) 634' FNL 895' FWL, NW/4 NW/4, Section 6, Township 16 South, Range 24 East, Grand County, Utah	
<b>6. Possible significant impacts likely to occur:</b> Surface impacts include up to five acres of surface disturbance during the drilling and completion phase (estimated for five weeks duration). If oil and gas in commercial quantities is discovered, the location will be reclaimed back to a net disturbance of between one and two acres – not including road, pipeline, or utility infrastructure. If no oil or gas is discovered, the location will be completely reclaimed.	
<b>7. Identify local government affected</b> a. Has the government been contacted? No. b. When? c. What was the response? d. If no response, how is the local government(s) likely to be impacted?	
<b>8. For acquisitions of land or interests in land by DWR or State Parks please identify state representative and state senator for the project area. Name and phone number of state representative, state senator near project site, if applicable:</b> a. Has the representative and senator been contacted? N/A	
<b>9. Areawide clearinghouse(s) receiving state action:</b> (to be sent out by agency in block 1) Southeastern Utah Association of Governments	
<b>10. For further information, contact:</b>   Diana Whitney <b>Phone:</b> (801) 538-5312	<b>11. Signature and title of authorized officer</b>   Gil Hunt, Acting Associate Director <b>Date:</b> June 15, 2005

**ON-SITE PREDRILL EVALUATION**  
**Division of Oil, Gas and Mining**

**OPERATOR:** National Fuel Corporation

**WELL NAME & NUMBER:** NFC Horse Point State #11-6

**API NUMBER:** 43-019-31453

**LEASE:** State **FIELD/UNIT:** Horse Point

**LOCATION:** 1/4, 1/4 NWNW **Sec:** 6 **TWP:** 16S **RNG:** 24E 634 FNL 895 FWL

**LEGAL WELL SITING:** 460 F **SEC. LINE;** 460 F 1/4, 1/4 **LINE;** 920 F **ANOTHER WELL.**

**GPS COORD (UTM):** X =4367889 E; Y =644898 N **SURFACE** **OWNER:** SITLA

**PARTICIPANTS**

Bart Kettle (DOGM), Andrew Busch (National Fuel Corporation), invited but choosing not to attend Chris Colt (DWR), Ed Bonner (SITLA) and Mary Hofine (Grand County).

**REGIONAL/LOCAL SETTING & TOPOGRAPHY**

Proposed location is 40 miles northwest of Mack Colorado in Grand County Utah. The proposed location is located on a small finger ridge near the head waters of Main Canyon in an 18-20" precept zone. Mountain Browse rangelands cut by deep rocky pinion/juniper and Douglas fir canyons surround the well site. Topography to the south drops off quickly into a narrow band of P/J woodlands, with extensive salt scrub clay flats in the valley floor. Slopes are more gradual to the north, with extensive P/J woodlands eventually giving way to the salt scrub communities. Due to the dry nature of the surrounding terrain the divide portion of the Bookcliffs is classified as critical summer wildlife habitat. The Bookcliffs divide separates watersheds that drain to the north into Sweetwater Creek and the south into the Colorado River. The proposed location is located near the top of a ridge top, there was no perennial water observed in close proximity to the location. Drainages in the immediate area are ephemeral in nature, being dry throughout the warmer months of the year, however the proposed well is located within a recharge area. Perennial and intermittent springs are located near the bottom of adjacent canyons, water bodies located near the ridge tops are predominantly dirt tanks developed to trap monsoon moisture for livestock watering. Access to the well site can be gained via the Hay Canyon road from the Grand Valley, or the Seep Ridge Road from the Uintah Basin.

**SURFACE USE PLAN**

**CURRENT SURFACE USE:** Early fall cattle grazing, summer big game habitat, seasonal recreation, oil and gas development.

**PROPOSED SURFACE DISTURBANCE:** 246' x 325' 0.30 mile of road construction.

**LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS:** None

**LOCATION OF PRODUCTION FACILITIES AND PIPELINES:** Wellhead, meter



facilities, separator, dehydrator, production tank and fenced emergency water disposal pit will be located on location if well is capable of commercial production. Pipeline will be laid along existing roads to the Canyon Gas Seep Ridge line.

SOURCE OF CONSTRUCTION MATERIAL: On-site

ANCILLARY FACILITIES: None required

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? (EXPLAIN): Drilling at this location is not expected to generate significant public concern. With the exception of the fall hunting seasons there is limited public visitation into this portion of the Bookcliffs. The closest residence are located ~15 miles away at the Cripple Cowboy Ranch in the head of Bitter Creek, and the DeLambert Ranch in Main Canyon.

#### **WASTE MANAGEMENT PLAN:**

Garbage and other trash will be contained in an acceptable trash container. Refuse will be transported to an approved disposal site as necessary, but no later than at the completion of drilling operations. Sewage will be handled in self-contained portable toilets and contents hauled off location to an authorized facility in accordance with State and local regulations.

Reserve pit will be fenced and lined with a 12-mil liner prior to use. Drill cuttings will be constrained in the reserve pit.

#### **ENVIRONMENTAL PARAMETERS**

AFFECTED FLOODPLAINS AND/OR WETLANDS: No floodplains or wetlands will be affected by the drilling of this well. Proposed location is located above an ephemeral wash, pad construction is not expected to alter drainage function or sediment load.

FLORA/FAUNA: Elk, Mule Deer, Black Bear, Cougar, Bobcat, rabbits, songbirds, raptors, and lizards.

Grasses: June grass, Mutton grass, Elk sedge, Lettermens needlegress, Nevada blue grass, and thick spike wheatgrass. Forbs: Vetch, tapertip hawksbeard, blue flax, dandelion, arrowleaf balsamroot, silver lupine, gray wavyleaf thistle, and western yarrow. Shrubs: Buckwheat, Bitterbrush, Alderleaf mountain mahogany, Utah service berry, antelope bitterbrush, Douglas rabbit brush, Wyoming sage, Common snowberry, Oregon grape and Gamble oak. Trees: Rocky mountain juniper.

SOIL TYPE AND CHARACTERISTICS: Dark brown Clay Loam, sandstone fragments.

SURFACE FORMATION & CHARACTERISTICS: Alternating sandstone and shale layers cut by deep canyons. Soils are erosive in nature due to lack of litter/vegetation and steep slopes.

EROSION/SEDIMENTATION/STABILITY: Fine soils prone to wind and water

erosion when disturbed. Excessive sedimentation and erosion is not expected at this site.

PALEONTOLOGICAL POTENTIAL: None noted

### **RESERVE PIT**

CHARACTERISTICS: 75'x147'x12'

LINER REQUIREMENTS (Site Ranking Form attached): Liner Required

### **SURFACE RESTORATION/RECLAMATION PLAN**

The top 5" of topsoil material will be removed from the location and stockpiles separately on the east side of the location. The reserve pit will be backfilled when the contents have been sufficiently dewatered. If the well is productive areas not required for operations will be rehabilitated. Noxious weeds will be controlled on the location in accordance with State guidelines. In the event of a dry hole the location will be re-contoured, the topsoil distributed evenly over the location and then re-seeded.

SURFACE AGREEMENT: As per SITLA mineral lease.

CULTURAL RESOURCES/ARCHAEOLOGY: Class III Cultural Resource Inventory has been conducted.

### **OTHER OBSERVATIONS/COMMENTS**

Area is classified as critical summer range for elk and mule deer. Access road into the location has a steep pitch when leaving the main road, rolling dips and may be required to prevent blowout of small drainages during major rain events and excessive erosion of the road. Due to resource damages caused by late a winter drilling program the previous winter discussed avoiding drilling during spring break-up.

### **ATTACHMENTS**

Photos of this location were taken and placed on file.

Bart Kettle  
DOGM REPRESENTATIVE

July 12, 2005 2:42 P.M.  
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score  
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>2</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

**Final Score**      22      (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required, consider criteria for excluding pit use.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.





State Online Services / Agency List / Business.utah.gov

Search Utah.gov

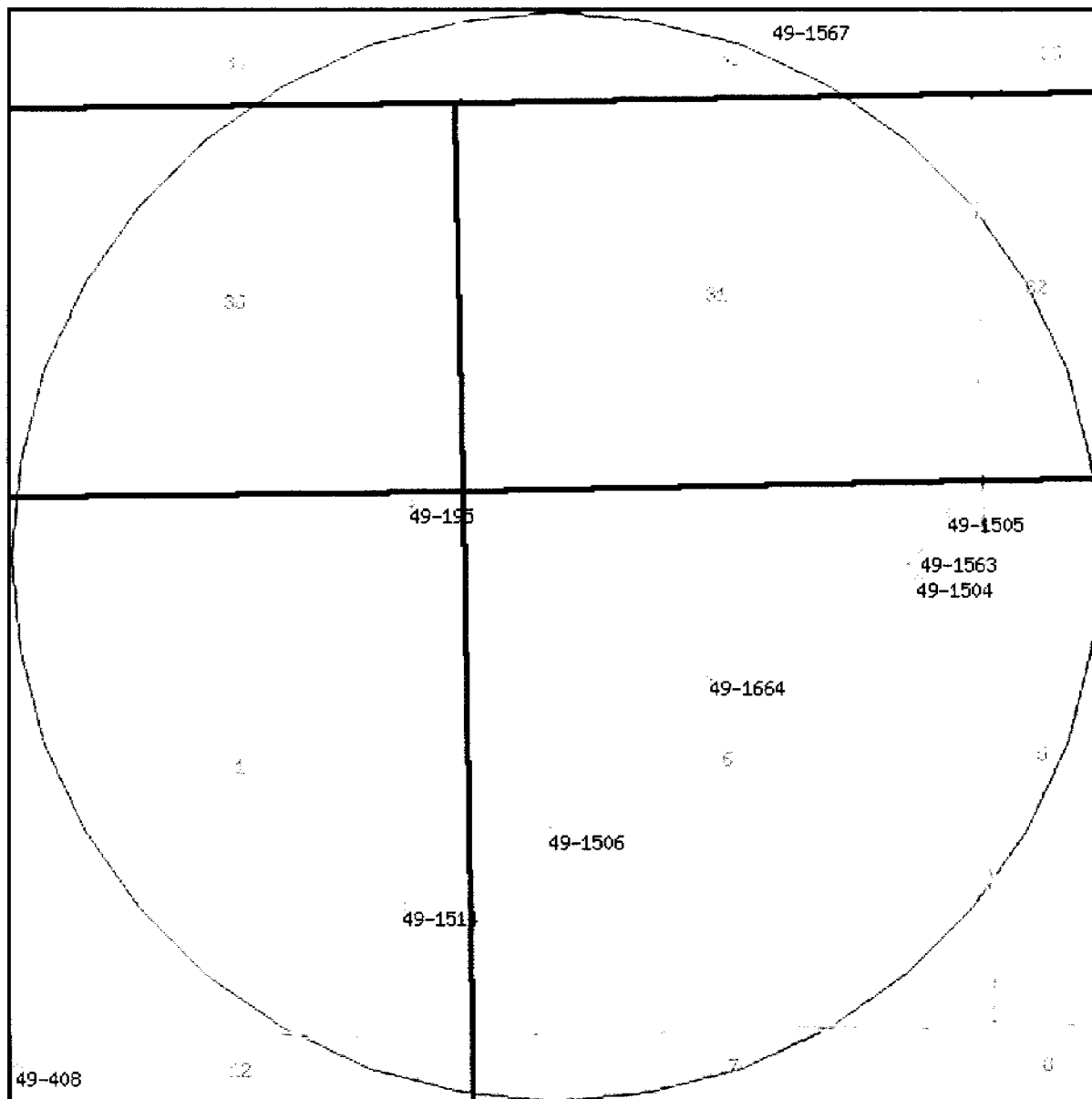


# UTAH DIVISION OF WATER RIGHTS

## WRPLAT Program Output Listing

Version: 2004.12.30.00      Rundate: 07/14/2005 08:32 AM

Radius search of 5280 feet from a point S634 E895 from the NW corner, section 06, Township 16S, Range 24E, SL b&m  
Criteria:wrtypes=W,C,E podtypes=all status=U,A,P usetypes=all



0 700 1400 2100 2800 ft

## Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
49-1504	Surface S940 W630 NE 06 16S 24E SL		P	18860000	S	0.050	0.000	UTAH SCHOOL AND INSTITUTIONAL TRUST LANDS ADMIN. 675 EAST 500 SOUTH, 5TH FLOOR
49-1505	Surface S315 W340 NE 06 16S 24E SL		P	18860000	S	0.050	0.000	UTAH SCHOOL AND INSTITUTIONAL TRUST LANDS ADMIN. 675 EAST 500 SOUTH, 5TH FLOOR
49-1506	Surface N1960 E750 SW 06 16S 24E SL		P	18860000	S	0.050	0.000	UTAH SCHOOL AND INSTITUTIONAL TRUST LANDS ADMIN. 675 EAST 500 SOUTH, 5TH FLOOR
49-1514	Surface N1225 W660 SE 01 16S 23E SL		P	18860000	S	0.050	0.000	UTAH SCHOOL AND INSTITUTIONAL TRUST LANDS ADMIN. 675 EAST 500 SOUTH, 5TH FLOOR
49-1562	Surface S800 W700 NE 06 16S 24E SL		U	19950801	DS	0.058	0.000	ALAMEDA CORPORATION ATTN: M. T. ARNOLD
49-1563	Surface S700 W600 NE 06 16S 24E SL		U	19950801	DS	0.029	0.000	ALAMEDA CORPORATION ATTN: M. T. ARNOLD
49-1567	Surface N700 W2200 SE 35 15S 23E SL		U	19950901	DS	0.010	0.000	ALAMEDA CORPORATION ATTN: M. T. ARNOLD

49-1873	Surface	U	19950901 DS	0.013 0.000	ALAMEDA CORPORATION ATTN: M. T. ARNOLD
	S1800 E2400 NW 06 16S 24E SL				
49-1664	Surface	A	20020903 DS	0.000 0.590	BLUE DIAMOND OIL CORP C/O GARY SPROUSE
	S1800 E2400 NW 06 16S 24E SL				
49-195	Surface	P	19551224 S	0.020 0.000	GUSHEE & BATCHTELL PRUITT SUITE 1850 BENEFICIAL LIFE TOWER
	S117 W507 NE 01 16S 23E SL				
49-408	Surface	P	1861 OS	0.000 0.250	VERNAL DISTRICT USA BUREAU OF LAND MANAGEMENT 170 SOUTH 500 EAST
	S250 E850 NW 12 16S 23E SL				

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Well name:	<b>07-05 National Fuel Corp. Horse Point St 11-6</b>	
Operator:	<b>National Fuel Corporation</b>	
String type:	Surface	Project ID: 43-019-31453
Location:	Grand County	

**Design parameters:**
**Collapse**

Mud weight: 8.400 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**
**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 93 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 350 ft

Cement top: 192 ft

**Burst**

Max anticipated surface pressure: 1,144 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 1,300 psi

No backup mud specified.

**Tension:**

8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

Tension is based on buoyed weight.

Neutral point: 1,137 ft

Completion type is subs  
Non-directional string.

**Re subsequent strings:**

Next setting depth: 8,534 ft  
Next mud weight: 8.400 ppg  
Next setting BHP: 3,724 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 1,300 ft  
Injection pressure 1,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1300	8.625	36.00	J-55	ST&C	1300	1300	7.7	93.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	567	3450	6.082	1300	4460	3.43	41	434	10.60 J

Prepared by: Clinton Dworshak  
Utah Div. of Oil & Mining

Phone: 801-538-5280  
FAX: 801-359-3940

Date: July 18,2005  
Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 1300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

Well name:	<b>07-05 National Fuel Corp. Horse Point St 11-6</b>	
Operator:	<b>National Fuel Corporation</b>	
String type:	Production	Project ID: 43-019-31453
Location:	Grand County	

**Design parameters:**
**Collapse**

Mud weight: 8.400 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**
**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 194 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 1,500 ft

Cement top: 3,506 ft

**Burst**

Max anticipated surface pressure: 2,700 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 3,724 psi

No backup mud specified.

**Tension:**

8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

Completion type is subs  
Non-directional string.

Tension is based on buoyed weight.  
Neutral point: 7,462 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	8534	4.5	11.60	N-80	LT&C	8534	8534	3.875	197.8

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3724	6350	1.705	3724	7780	2.09	87	223	2.58 J

Prepared by: Clinton Dworshak  
Utah Div. of Oil & Mining

Phone: 801-538-5280  
FAX: 801-359-3940

Date: July 18, 2005  
Salt Lake City, Utah

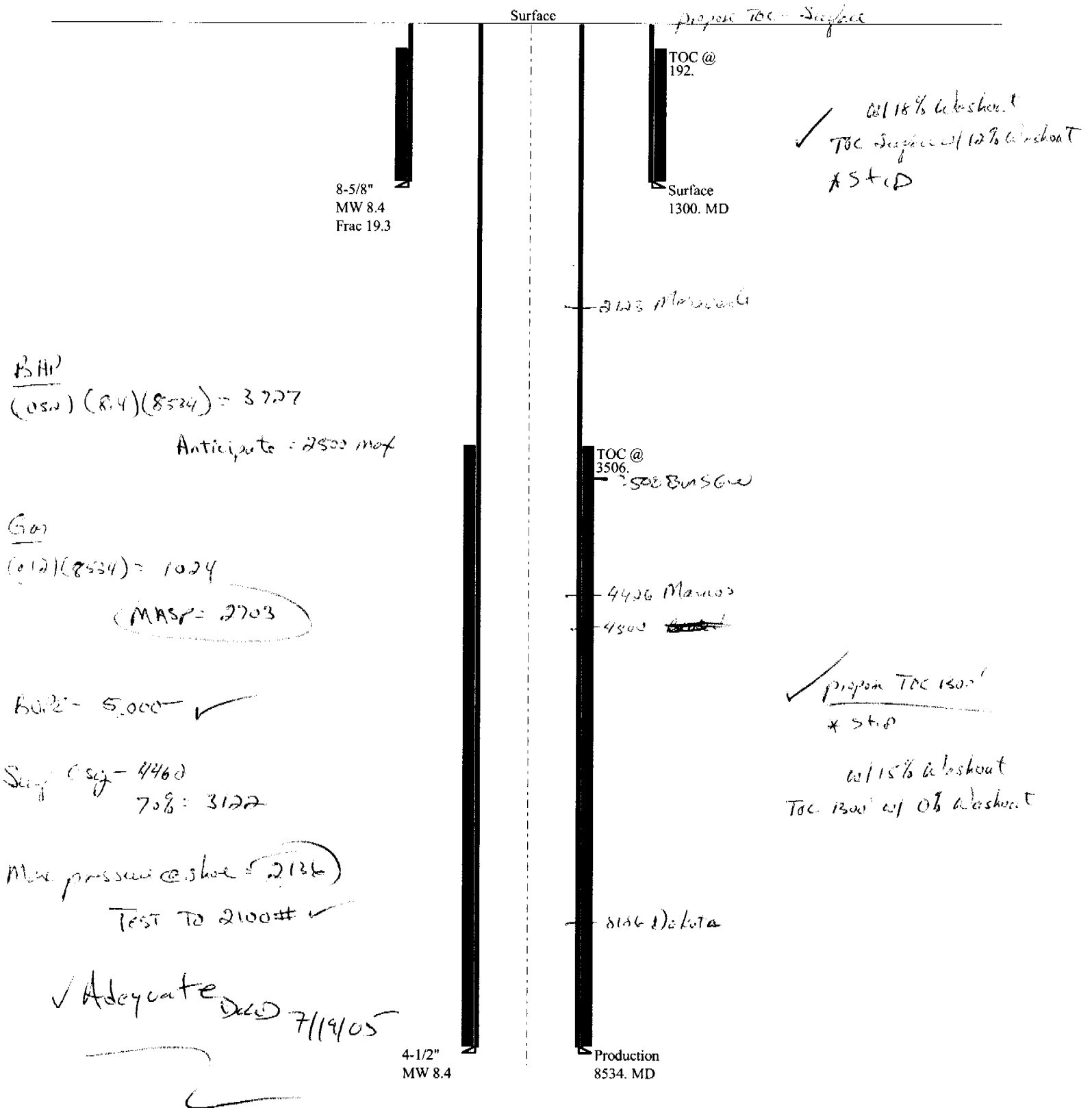
**Remarks:**

Collapse is based on a vertical depth of 8534 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes.  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

07-05 National Fuel Corp. Horse Point St 11-6  
Casing Schematic



**From:** Ed Bonner  
**To:** Whitney, Diana  
**Date:** 8/25/2005 10:37:49 AM  
**Subject:** Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Enduring Resources, LLC

- Archy Bench 12-23-11-16
- Archy Bench 12-23-12-16
- Archy Bench 12-23-13-16
- Archy Bench 12-23-21-16
- Archy Bench 12-23-22-16
- Archy Bench 12-23-31-16
- Archy Bench 12-23-42-16

Medallion Exploration

- Atchee State 20-12-25
- Atchee State 1-29-12-25
- Atchee State 2-29-12-25
- Atchee Ridge 32-12-25
- Seep Canyon State 30-12-25

National Fuel Corporation

- NFC State Duncan #14-28
- NFC Horse Point State #11-6 ✓
- NFC Westwater State #22-32

Westport Oil & Gas Company

- State 920-36J
- State 920-36K
- State 920-36L
- State 920-36M
- State 920-36N

If you have any questions regarding this matter please give me a call.

**CC:** Garrison, LaVonne; Hill, Brad; Hunt, Gil

**State of Utah****Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

August 25, 2005

National Fuel Corporation  
7979 E Tufts Ave., #815  
Denver, CO 80237

Re: NFC Horse Point State #11-6 Well, 634' FNL, 895' FWL, NW NW,  
Sec. 6, T. 16 South, R. 24 East, Grand County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31453.

Sincerely,

*K. Michael Hunt*

*For* Gil Hunt  
Associate Director

pab  
Enclosures

cc: Grand County Assessor  
SITLA

**Operator:** National Fuel Corporation  
**Well Name & Number** NFC Horse Point State #11-6  
**API Number:** 43-019-31453  
**Lease:** ML-49825

**Location:** NW NW      **Sec.** 6      **T.** 16 South      **R.** 24 East

### **Conditions of Approval**

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
7. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.
8. Surface casing shall be cemented to the surface.
9. Cement volume for 4 ½" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 1300' as proposed.

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML-49825</b>
2. NAME OF OPERATOR: <b>National Fuel Corporation</b>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: <b>7979 E Tufts Ave #815</b> CITY <b>Denver</b> STATE <b>Co</b> ZIP <b>80237</b>		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: <b>(303) 220-7772</b>		8. WELL NAME and NUMBER: <b>NFC Horse Point State #11-6</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>634 FNL, 895 FWL</b>		9. API NUMBER: <b>43-019-31453</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNW 6 16S 24E</b>		10. FIELD AND POOL, OR WILDCAT: <b>Wildcat</b>
COUNTY: <b>Grand</b>		STATE: <b>UTAH</b>

**11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>Request for an extension.</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This Sundry Notice is being submitted to request an APD extension for the above well. Due to the lack of rig availability were unable to secure a rig during the summer months. Because of the potential for severe winter weather in the coming months, NFC would like to extend the permit for an additional year and attempt to secure a rig for next spring/summer.

**Approved by the  
Utah Division of  
Oil, Gas and Mining**

Date: 10-26-06  
By: [Signature]

**RECEIVED**

**OCT 26 2006**

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Andrew Busch</u>	TITLE <u>V.P. of Operations</u>
SIGNATURE <u>[Signature]</u>	DATE <u>10/24/2006</u>

(This space for State use only)



**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-019-31453  
**Well Name:** NFC Horse Point State #11-6  
**Location:** NWNW Sec.6-T16S-R24E  
**Company Permit Issued to:** National Fuel Corporation  
**Date Original Permit Issued:** 8/25/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Andrew Bush  
Signature

10/24/2006  
Date

Title: V.P. of Operations

Representing: National Fuel Corporation

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
National Fuel Corporation

3. ADDRESS OF OPERATOR:  
8400 E. Prentice Ave, #1100 CITY Greenwood Village STATE Co ZIP 80237

PHONE NUMBER:  
(303) 220-7772

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 634 FNL, 895 FWL

COUNTY: Grand

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 6 16S 24E

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:  
ML-49825

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:  
NFC Horse Point State #11-6

9. API NUMBER:  
43-019-314 43

10. FIELD AND POOL, OR WILDCAT:  
Wildcat

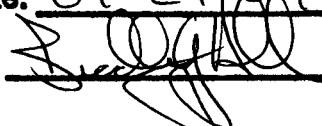
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This Sundry Notice is being submitted to request an APD extension for the above well. NFC is currently waiting on analysis of seismic data to aid in determining the potential for drilling a successful well at this location. Because of the potential for severe winter weather in the coming months, NFC would like to extend the permit for an additional year and attempt to secure a rig for next spring/summer.

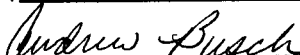
Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 09-24-07  
By: 

NAME (PLEASE PRINT) Andrew Busch

TITLE V.P. of Operations

SIGNATURE



DATE 9/18/2007

(This space for State use only)

COPIES SENT TO OPERATOR  
Date: 9/25/07  
Initials: RM

(5/2000)

(See Instructions on Reverse Side)

RECEIVED

SEP 24 2007

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-019-31453  
**Well Name:** NFC Horse Point State #11-6  
**Location:** NWNW Sec.6-T16S-R24E  
**Company Permit Issued to:** National Fuel Corporation  
**Date Original Permit Issued:** 8/25/2005

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Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Andrew Busch  
Signature

9/18/2006  
Date

**Title:** V.P. of Operations

**Representing:** National Fuel Corporation

RECEIVED

SEP 24 2007

DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

November 19, 2003

Andrew Busch  
National Fuel Corporation  
8400 East Prentice Ave. Ste.1100  
Greenwood Village, CO 80111-2926

Re: APD Rescinded – NFC Horse Point State 11-6, Sec.6, T.16S, R.24E  
Grand County, Utah API No. 43-019-31453

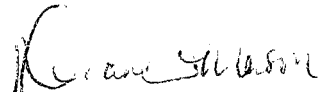
Dear Mr. Busch:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 25, 2005. On October 26, 2006 and on September 24, 2007 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 23, 2008.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

  
Diana Mason  
Environmental Scientist

cc: Well File  
SITLA, Ed Bonner

